IN RE THE MEETING OF THE)
BAY-DELTA ADVISORY COUNCIL)
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ORIGINAL

TRANSCRIPT OF PROCEEDINGS
Sacramento Convention Center
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REPORTED BY: SUSAN PORTALE, CSR NO. 4095, RPR, CM

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STEVE HALL, Association of California Water Agencies
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ROGER STRELOW, Beveridge & Diamond
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JUDITH REDMOND, Community Alliance with Family Farmers
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COUNCIL MEMBERS: (cont'd)

MARCIA SABLAN, Mayor of Firebaugh
ROGER PATTERSON, Designated Federal Official
MICHAEL MANTELL, Designated State Official
ANN NOTTHOFF, Natural Resources Defense Council
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MIKE STEARNS, San Luis Delta Mendota Water Authority
STU PYLE, Kern County Water Agency
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(All parties present, the following proceedings were had at 9:45 a.m.:)

CHAIRMAN MADIGAN: Well, good morning.

It's a little past 9:30 and I apologize for that. There did seem to be a little confusion out there as to whether or not we were really starting at 9:30 or 10 so I'm going to try to get this thing started just a little bit later to make sure that a number of people had an opportunity to arrive.

This is the March 12th meeting of the Bay Delta Advisory Council, and it's nice to see that so many of you were able to make it.

I understand that it's difficult when meetings are called on fairly short notice for people as busy as all of you to make the kinds of adjustments that are necessary to get here, and I hope it's an indication of your commitment to this process that you have done so today.

We are operating in the dark but then we nearly always do so what the hell.

There have been a couple of letters written -- ah, is this amazing or what -- there have been a couple of letters written recently raising some important issues regarding BDAC meetings being held outside BDAC, statements of principles and beliefs, and there has been sufficient conversation about those items that it seems to

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Sunne and me worthwhile to take these items first today and have the appropriate conversation surrounding them and to give us all, one, I think a sense of what the issue is; two, what the answers are to those issues, and, three, maybe to clarify in the minds of some who have read these things what it is that's being said because we all read these things with different colored glasses, I suppose.

Lester, let me start with you and maybe introduce these things, and then I do want to ask not only members of the BDAC but I want to ask members of the audience because if some of you are vitally involved in these things, to speak to the issues.

Because I would not want to go forward at least with any misapprehensions or misunderstandings about what's being said and what the intentions are.

EXECUTIVE DIRECTOR SNOW: Yeah.

If I could maybe make just a few general comments on this issue of stakeholder coordination, some of which I actually made yesterday at Hap's assurances work group meeting. But I think I want to start with the premise that stakeholder coordination is a good thing and stakeholder dialogue, public dialogue is a good thing.

The extent to which stakeholder communities can discuss and resolve some of their issues internally to be able to express joint principles and interests can be of

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great benefit to us.

We have some examples of that that have worked well in our process, whether it's Northern California Water Association that represents quite a few specific interests in the Sac Valley being able to express principles to us or actually the mere existence of the Regional Council of Rural Counties that represents 24 rural counties.

By having those organizations we're able to get a view of principles and interests in the case of RCRC from 24 counties.

If we had to sort through the individual comments of 24 counties, we probably would make a mistake in what it was they were trying to convey or see conflicts.

By having them engage in discussions we are able to get a better pattern of what's important to the rural counties and there is other examples of that kind of situation.

It certainly can result in more clear and meaningful communication into the process where people are finding convergence of interests and concerns related to the Cal-Fed program.

But that is particularly useful and meaningful if it comes into this public process.

If there is an outside process that attempts to resolve the solution to the Cal-Fed program outside the

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public process, that will cause us all problems.

To the extent we have a commitment that issues and concerns that arise in the stakeholder community and resolved in the stakeholder community get expressed in the public arena so that everybody gets to debate it then I think we have a beneficial process.

And the more coordination there is within that principle the better off we will be in the long run.

So I guess all would I add is that from our standpoint to the extent to which people can develop mutual understandings and agreements and express those in the public process so everybody gets to understand them, we are all ahead of the game.

CHAIRMAN MADIGAN: Tom, you wrote a letter the other day regarding the meetings, the mediated meetings between the urban and ag groups.

Would you like to summarize your concerns regarding that letter because I'd like to call on a few people to try to answer those concerns or see if there are answers to those concerns or see if we have an issue or whether there are answers in place.

MR. GRAFF: Sure.

I suppose most people here have seen the letter. It was dated February 26th. It's a letter to you, copied to Sunne and to Lester.

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And what it expressed concern about is a mediation effort, I guess a formal mediation effort, that has arisen involving significant numbers of agencies from the urban and agricultural sectors that at least on its face from our point of view had the potential of resulting in positions on the work of this group and of CalFed on particularly in choosing alternatives as we move into the decision making phase of this effort.

We were particularly concerned about the choice of mediator, Mr. James Waldo, because in a prior mediation involving State Water Project contractors and the Department of Water Resources an accord had been reached with an aggressive exclusion of public participation. When EDF and others raised objections after that, we were brushed aside.

An environmental impact report was commissioned not by the Department of Water Resources, which one would think would be the lead Agency on the largest set of changes in the State Water Project since 1960 but instead something called the Central Coast Water Authority was given the lead Agency status as a result of that mediation.

A court of law in a suit filed by the Planning Conservation League Plumas County and a citizens group in Santa Barbara found that that was an illegal act, that the

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wrong lead Agency had been selected for doing the EIR but that somehow that was harmless error and that's a criminal law phrase but that's essentially what the court found.

That case, that decision has been appealed. It's actually been appealed by both sides.

I attached in my letter to you a copy of our brief in that matter, the amicus brief on behalf of PCL and others which attaches to it a piece of testimony that John Carpenter filed on behalf of EDF in August of 1994 which lays out from our point of view a reform Agenda for the State Water Project which was brushed aside at the time and we would certainly want to see back on the table as part of this process.

So we are concerned both about the nature of who is involved in the dialogue and who is mediating the dialogue.

CHAIRMAN MADIGAN: Thank you.

Let me ask, Byron, you have been involved in this thing.

Tom has raised several questions, one in terms of the constituency of the operation, who was invited, who wasn't, what you're attempting to accomplish, is it, in fact -- you know, does it provide the opportunity for a decision-making process of some large subset of this group?

For example, outside the BDAC process and is

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this another Monterey accord in the making, I guess, in a sense?

BYRON BUCK: Okay. Let me try and address that. For the record, Byron Buck, I'm an Executive Director with the California Urban water agencies and I've got some of the other representatives of the principals involved in the urban ag process that's been mentioned here and they can speak as well if need be.

What we are doing is it's merely an attempt by major water districts and associations through their staffs to assess CalFed's alternatives in common programs in an attempt to develop consensus on common input to the Cal-Fed process in Phase II and in particular into the draft environmental phase.

What we are trying to do is get together on what comments we would make in the public process as public input from a broad base of constituencies.

It's an open process. We have invited environmental interests to participate in this. Indeed some of them staff from environmental groups are participating at the technical level --

CHAIRMAN MADIGAN: Do they know they have been invited?

BYRON BUCK: They know they've been invited. It's been done twice and indeed we have

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participants at the technical work group level. They've chosen not to engage at the policy level in the mediation process if that indeed moves forward which is not altogether clear at this point.

We've also invited Delta interests. They've decided not to participate directly but they would like to be kept informed and we've pledged to do that with them as we move along through this.

We are not attempting to duplicate BDAC here. Rather it's a set of interests trying to narrow the debate within themselves as a way of helping build consensus for CalFed. If successful it should help CalFed achieve broad public consensus.

I'd like to separate the issue from the process and Mr. Waldo, who seems to be an issue.

Mr. Waldo is simply a hired facilitator to help these interests, discuss the issues and the technical and policy issues and come to a broad consensus. He was picked through an interview process. His role in the Monterey accord is really something quite different.

That was a different process, something I wasn't involved in, can't speak directly to, but what this is about is bringing together these interests to try to come to some common understandings on what CalFed's trying to do and what we would like to see happen and put that

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into the public process.

We are not going to be making the decision. CalFed's going to be doing that. I'm speaking to Lester's point.

What we are trying to do is provide a broad base of common input to help the process move forward. There is nothing particularly mysterious about it.

We have a two-step process of Phase 1 where we are trying to figure out what the ground rules are and how this will participate. People are going to look at that, go through that and decide if this looks promising to move forward into Phase II which would be a mediated process, looking at all of the alternatives, the work the technical work groups are working on which is mirroring to some degree what CalFed is doing to try to get a technical understanding of what we are doing that can then allow policymakers to come together on a solution, bring it back to their boards and then move in as joint input to CalFed.

CHAIRMAN MADIGAN: Tom, I'm not sure how to go about this, but I guess I want to make sure that you have a chance to ask Byron as a representative of that group if the additional questions you need to ask to make sure that either you're satisfied or that at the end of it you can then tell us, "No, that didn't satisfy me and here is why" and we can go from there.

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MR. GRAFF: Well, maybe we should let all of the speakers speak in the group.

Does that make sense?

Or to go one at a time? I'd go either way. Whichever way you want to do it.

BYRON BUCK: I don't know if we have any additional remarks to make.

CHAIRMAN MADIGAN: Dan, is there anything you want to add or Jason?

JASON PELTIER: Yes, Jason Peltier with the CVP Water Association.

I just want to put what we are doing now in a little broader time frame context.

We had the three-way process long ago.

We had the accord process more recently.

And we view this as kind of keeping -- working in that vein in that there is a real value to the agencies of having stakeholders coming together around the table and figuring out where want to go and the evolution of this I certainly -- I don't think it's a question of whether the environmental community should join in this process.

I think it's when is the question.

And because to the extent that we can come together within the water community and within the environmental community we are going to make your

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process -- Lester's process a lot more simple and a lot more understandable. That's our goal.

CHAIRMAN MADIGAN: Dan.

DAN NELSON: Don't have any further comment.

CHAIRMAN MADIGAN: Tom.

MR. GRAFF: Well, one of the issues -- I don't know if we want to get into the who asked whom when. I have a memo from one of the participants in this.

Let me give a little bit of background for those who haven't heard this before as to the evolution from our point of view of these -- of this discussion.

I personally was approached last October by a representative of one of the urban agencies and asked about a mediated dialogue and Mr. Waldo's name came up in that discussion.

I told him that under no circumstances would the environmental defense fund participate in a dialogue in which Mr. Waldo was the mediator for the reason that he was for better or worse and I have no personal animosity toward the man, I'm never met him, but he was engaged in the Monterey accord process which we noted at the time we objected to and have since participated in litigation against.

Later on a group led my Dan Nelson was there

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and Tim Quinn approached the environmental community to discuss what we thought and what was stated on paper was a dialogue to try to resolve outstanding CVPIA issues related to operations of the Central Valley project, in particular looking forward to the CVP operations decisions which normally kind of come to a crescendo, at least an initial crescendo approximately the middle of February.

Discussions began. There were I guess two meetings or a couple meetings.

There was disagreement about sort of what would be discussed and what wouldn't be discussed but at least when we were approached, the clear focus of discussions was to try to figure out ways to not have the Bureau's decision in mid-February be a flash point for controversy and conflict.

I guess something that's unfortunate happened. Namely, it rained a lot around the first of January and so the intensity around that decision became less -- kind of a flash point and that purpose for the negotiated -- for a negotiation was less crucial but from the point of view of our negotiators and I was not one of them but there were, I guess, four -- the phone -- essentially there was one long meeting on January 7th and then the phone stopped ringing so nobody was approaching us about -- has approached us as far as I know about participating in that -- in any

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dialogue and certainly not in one dealing with what should be sort of the recommendations to the Cal-Fed process since that time.

CHAIRMAN MADIGAN: Byron.

Dan.

DAN NELSON: I'm Dan Nelson with the San Luis Delta Mendota Water Authority.

I think Tom has characterized the events that led to the ag urban caucus pretty accurately.

I would add to that that we had a very, very strong sense after talking with the environmental community and some of their representatives in December that they weren't yet ready to do a formal facilitated process regardless of who was going to be the facilitator, that they weren't yet ready to engage or commit to engage at that level.

And having said that the ag and urban interests recognized their need to do that and to get moving on because of the tight schedule of CalFed.

Having said all of that we made it very clear that the process remains open.

We encouraged the environmental community to engage us on that level and in that form and we think that there is a lot of merit.

Having said that we also see that there is a

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lot of merit in the ag and urban interests and the water users having a caucus, similar to the Environmental Water Caucus to deal with our approach to some of the CalFed issues.

So we've been approaching it that way. But I think the point is we will continue approaching it that way, but we would welcome the other leg of the stakeholder stool, and that being the environmental community.

CHAIRMAN MADIGAN: Gary.

Ray.

MR. REMY: Maybe a point of order, I guess.

CHAIRMAN MADIGAN: Sure.

MR. REMY: Maybe I don't understand the process here.

CHAIRMAN MADIGAN: There is no process. Try not to look too deeply into this one, Ray.

MR. REMY: That's the reason that I understand it thoroughly. This was not on the Agenda I got --

CHAIRMAN MADIGAN: It's on mine.

MR. REMY: -- other than what I got passed this morning (indicating).

Secondly, we heard Lester say that it's useful to have ad hoc activity from various stakeholders from all

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sorts in the process and it seems to me that's what this is (indicating). I've had several conversations with the Environmental Water Caucus which seems like an ad hoc group of common interests developing a common position, which seems to be similar to what is being discussed here, and I don't, quite frankly, see what BDAC can or should do about this ad hoc process to begin with. We have no jurisdiction over these various groups.

I think we should encourage them to meet and to bring their findings to this group to the extent that they will.

And, therefore, I see no reason why we should take up valuable Agenda time beyond that which appears to be to be self-evident and, that is, groups will meet and hopefully will share information with us.

CHAIRMAN MADIGAN: I'll tell you why I want to take it up first and I want to take it up first because I don't want anything around here to fester or linger or be left unsaid because if we are, in fact, going to be the honest brokers of this process that we are all supposed to be, the light of day not only serves us well but widespread understanding of what's being said and how things come about are important.

I would hate for something to blow up this process that was unrelated to fundamental principle.

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We may get to the point where a fundamental principle on something does this in.

If we do, that would be unfortunate, and it will be for the next group then to try to put things back together again.

But if this blows up because of some lingering set of concerns, suspicions, however you want to label it individually, and not over the basic issues, then we will have done a disservice to the people of California.

And so to me it is worth taking time periodically and we have done this on more than one occasion to make sure that we have a clear understanding of what's being said and why it was said, and I recognize that it does take a little time, but I hope that you will bear with me in terms of going through the exercise.

Gary.

GARY BOBKER: I just wanted to make a brief comment from my personal perspective of some one whose been involved in these contacts and negotiations. I agree that BDAC is not going to directly been involved in this but it does have the potential to affect where you wind up.

My personal perspective, I'm not speaking formally for the caucus or anybody else right now, is that while there is a need for dialogue among the stakeholders

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there have been some mistakes made by all of us involved in this in approaching how we should do that.

I think that some of the focus in the urban ag community in there sincere desire to have that kind of dialogue and they have been very open in inviting us to participate have perhaps overemphasized some of the particular formats that they want to pursue.

We've had also some concerns about how any kind of stakeholder process might relate to CalFed and there are obviously concerns about the risk of having a competing process. That's a grave concern.

But, on the other hand, I think that the environmental community perhaps needs to think about how -- its desire to become engaged in a three way and so I think probably at this point the best thing for everybody whose been involved in talking about these dialogues and meetings is to probably step back and talk about how we might realign our efforts into a genuine three way dialogue in a format that everybody can live with and that has a proper relationship into feeding into and supporting the CalFed process.

I hope that that's going to occur shortly and I encourage everyone in all of the stakeholder communities to help that happen sooner rather than later.

CHAIRMAN MADIGAN: Thank you.

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Alex.

MR. HILDEBRAND: I'd like to express what may be a sort of an immediate view here.

I agree with Lester that I think that it's good to get stakeholder input and it doesn't bother me at all to have various groups get together and make proposals as long as they do feed into this process.

I would merely make a caution here, and, that is, that sometimes the things that come out of these caucuses are given more credit than they deserve in that it isn't clearly defined who is included in this and who isn't included.

And our apprehensions about this speaking primarily now from the point of view of people on the San Joaquin and in the Delta is that what tends to happen is the December '94 accord, for example, did exclude the people in the Delta and on the tributaries and yet that sort of got lost in the shuffle and it was advertised as something that was a great consensus thing.

Then John Caffrey (phonetic) and the State Board repeatedly said "Oh, we'd love to have the stakeholders come in and tell us what to do so that we can adopt something that isn't controversial". But there again it may get lost. The CUWA ag people -- the ag people in the CUWA ag are not representative of all of ag by any

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means and certainly don't represent the Delta and we have the Bureau going out and making water acquisitions on the basis of findings of no significant impact which are neither legally nor technically sound. In spite of the fact we've discussed this with them repeatedly they are still going about it.

They don't examine the consequences downstream on the main stem of the river in the Delta of the purchases they're proposing to make and have in some cases already made, so we get pretty jittery about this.

Sort of the big boys, the big players put things out and it sounds as though that includes everybody.

So I caution this body and Lester's staff to be very wary of assuming that the stakeholder caucus things that come in to them are as comprehensive as they may tend to appear.

With that reservation, though, I have no quarrel with what goes on.

And I would add that I think some progress is being made in getting more people into some of these outside operations.

You have before you today a proposal that's been developed relative to recirculation of San Joaquin water and control of the drainage waters into the river.

I would caution you that that is a draft, as

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it's so labeled. It's work in progress and hopes to be improved and refined as we go along.

Thank you.

CHAIRMAN MADIGAN: Thank you, Alex.

Randy.

RANDY CANALES: Randy Canales (phonetic), East Bay Mud.

I won't repeat the commitment to the integrity of the process that you've heard from the other speakers. That clearly has been an overriding concern for us and all of the agencies involved. I will simply supplement the comments you've already heard to let you know that Mr. Waldo was specifically directed to contact the agencies within the Environmental Water Caucus, the Delta --

AN UNIDENTIFIED VOICE: We have not been contacted.

RANDY CANALES: -- the area of origin community, every community that we can identify that would have an interest and a desire to participate. Mr. Waldo has been asked to make those contacts and to invite those interests into these discussions.

CHAIRMAN MADIGAN: Thank you.

Mary.

MS. SELKIRK: I agree with some of the comments that Alex has made. I want to speak, I think, as

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a member of BDAC and also a member of the public that I understand that CalFed has no legal standing and the First Amendment -- the First Amendment of the Bill of Rights is freedom of speech.

Anybody can talk to anybody about whatever they want to talk to. I think we all know that.

But I also think we are all highly aware of the significance, the political significance of having a process that's outside of the purview of BDAC that is construed to be debating and developing the preferred alternative because that is how I think this mediated process began to look like.

And, I'm sorry to say I don't have a solution to offer today except to say that I have some real concern.

I'm both happy to hear the emphasis placed by the folks that have been involved in convening this process that this is an open process, but I think what that means has to be very explicitly defined.

The whole purpose of BDAC and CalFed and what makes it different, potentially different, is the enormous amount of public input and the enormous amount of public process.

I don't want that to be simply a piece of propaganda.

I want to ensure as a member of the public

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and -- that that is a very meaningful and real statement, that there is not some kind of behind the scenes stakeholder process, even if it involves representatives of everybody -- of constituents represented around this table.

To me it raises the issue of to what extent are those very debates what we are supposed to be doing here within BDAC.

But that, as I understand it, was the function of this Council.

So I'm interested in looking at instead of anointing a parallel process, have the very people who want to be involved outside of CalFed in deliberating on the various alternatives might be incorporated more closely with CalFed. So we as BDAC are doing what I think our job was supposed to be from the get-go.

CHAIRMAN MADIGAN: Well, you make an excellent --

MS. SELKIRK: And I don't I don't know what that -- as I say, I don't have a plan for how that would look exactly.

CHAIRMAN MADIGAN: You make an excellent point.

And I think maybe we are talking light of day here.

And it is really, really helpful if all of the

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various constituent groups in there will be more before this process is done, include as a part of their program letting us know what the conversation is or the conclusions are because that will be helpful to all of us as we advise the CalFed process.

So I would hope that everybody includes us in the distribution of the results of your deliberations.

I have Sunne and then Ann and then Steve and then Stu and then Roberta. All right.

Oh, okay. Thank you.

Ann.

MS. NOTTHOFF: Yeah, I want to also agree with Alex in terms of the admonition or caution of how broad an agreement some of these purported agreements really do reflect.

I don't think we should kid ourselves that a negotiated formal process here between two stakeholder groups will not have some impact on the process and the public participation here of BDAC.

I think that it's important to acknowledge of single person sitting around this table and every interest group represented here carefully considered when BDAC was put together the structure of the CalFed process and the balance between interests that are represented in the CalFed process and in large part it was very much because

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of that very balance and that representation that interest groups decided to participate and thought this would be a fruitful way of trying to resolve these difficult issues.

And the fact that there is some ancillary process going on now that is looking at those same things is very troubling, I think, in terms of -- and could make it difficult for all of us to do our job here.

And so I would like to think if there is that kind of commitment in the stakeholder community to engage in yet another series of meetings and negotiations, I would like to try and figure out a way to incorporate that into the CalFed process so that we don't need to have reports of other meetings. We can actually benefit from those views here.

CHAIRMAN MADIGAN: All right.

We will talk about that one.

Thank you.

Steve.

MR. HALL: Dated February 26th there is a lengthy submittal by the Environmental Water Caucus to BDAC, which does not lay out a process by which recommendations will be developed but, in fact, makes some preliminary recommendations to BDAC.

So far as I know, and I'd be delighted to be corrected on this point, the parties that identified

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themselves as the Environmental Water Caucus did not seek input from either BDAC or other stakeholder groups in developing this position.

I wonder if the concerns expressed around the table this morning extend to that group?

CHAIRMAN MADIGAN: Why, yes, they do. It's actually my understanding.

MR. HALL: Well, I would like to hear from those who have expressed the concerns.

CHAIRMAN MADIGAN: And you shall.

We are going to discuss just that.

Lester, you and I talked just very briefly about Ann's comment, and you had a couple of thoughts about how to include those notions within what we are doing.

EXECUTIVE DIRECTOR SNOW: Yes, I think pursuant to the point that Ann made the only way that an aggressive outside stakeholder process works in the confines of the Bay-Delta or our process is if literally as the issues arise in the stakeholder process they are immediately brought into the different work groups, where if stakeholders have identified a real problem with assurances that it's immediately into Hap's work group, and where they are concerned about the scope or extent of the ecosystem program it's immediately brought in to our process through Mary's work group and the technical groups.

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It can't be that issues identified, they work out the problem and all of a sudden there is the solution.

It's actually the problem identification.

So I think there is a structure out there that we have set up that if they interact with, if we can bring the issues in as they are developed and as people are discussing them and we can have some integration.

And I think, I wasn't there for all of your meeting yesterday, Hap, but I think there was some discussion of those kinds of issues even yesterday.

CHAIRMAN MADIGAN: Stu.

MR. PYLE: Yes.

I'd kind of like to take the position in support of what the ag urban people are doing.

We have a group here who is involved in this and we get a lot of information, a lot of contact with the CalFed staff through the work groups and I think it's fairly -- I won't say it's easy, but we have the opportunity to stay well-versed on what's going on.

We all come from and represent organizations of people who don't necessarily have the time. They all have full-time jobs to do before CalFed ever came upon the scene. They still have that time to do.

Their people are not able to spend the amount of time that it may take to stay a hundred percent

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completely versed and capable to make these decisions.

So when I see them doing and coming together as CalFed -- or excuse me -- with the ag urban group to go through a facilitated process to get into more detail on this, they are trying to prepare themselves to participate more fully and intelligently in the public participation process.

Otherwise, they are coming and they are coming before the public participation process that CalFed puts on simply to sit there to listen and to react on the spot.

And here they have decided that, look, why should they not get themselves in the best frame of mind possible to have this dialogue between their technical advisors and between their policy makers and between the people that represent broad groups throughout various parts of the State.

So I think they are doing a good service to support the effort that CalFed is putting on here to be able to go through a facilitated process so they can both get a good understanding, get kind of a mediated agreement on what should go -- what should be the outcome and also to do some independent technical appraisals of the solutions that are being proposed by CalFed and bring those into the public process.

So I think everybody should support this and I

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think there have been representations here this morning to the extent that the -- all of the groups, public interest and environmental groups can participate in this. I think they are going to be welcome and I think it would be advantageous and I don't think it should be viewed as a separate but merely another circle of the preparation for the public participation process.

CHAIRMAN MADIGAN: Thank you.

Roberta.

MS. BORGONOVO: I want to talk just a minute about the mediated process.

I think part of what you're hearing from many of us who are totally absorbed in the CalFed process is that every time there is another set of meetings it makes it more difficult and there are already several work groups to which many of us are attending and spending many days out of our lives doing that and part of the problem with the mediated process, I mean, I'm part of a group that's working with CUWA to come up with urban water conservation so talks have been going on all along, but part of it is what is perceived as the scope of the negotiation and then if really open it up so that you have all of the stakeholders there it does seem to be a duplicate of the BDAC process.

So I just wanted to suggest that perhaps CalFed

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itself can think of using some mediation in some of our meetings perhaps and in some of the work groups because I think one of the reasons you have the tendency to go into the mediation and recite discussions is because there is not enough progress made in those work groups.

So I just put that out for our consideration.

CHAIRMAN MADIGAN: Thank you.

MR. PYLE: Mr. Chairman, can I draw attention to the fact that the representatives from the ag urban group only used the word facilitate.

They are not talking about mediation, which has some legal connotations and some requirements of all parties to allow there.

CHAIRMAN MADIGAN: That's fair.

MR. PYLE: They are talking about somebody to come in and be a central person to help focus the discussions and the decisions, recognizing that there is a short time frame between now and the time that the selected alternatives is going to come up in August and September and then the facilitated process is going to unable them to move much faster than just everybody getting in a room and talking without some strong direction.

I guess when you get to maybe 15 or 20 strong people in a room, if they are all equally strong, you don't necessarily come to a decision.

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You have to have some way to sort those out and come to a decision.

CHAIRMAN MADIGAN: Thank you.

Sunne.

MS. McPEAK: This has been very healthy and very productive, I think, although obviously it was just placed on the Agenda this morning but we were responding to a specific request from Tom to put it on the Agenda.

So the only way we know how to deal with getting the light of day, as you have said, of other discussions before BDAC is by putting them on the Agenda and having a reporting mechanism.

So while as Ray said, there is no way to control, and we wouldn't want to, dialogue what happens, we also want to be able to benefit from it.

And part of these discussions are happening not entirely but partly because we haven't been able to get to the issues in the work groups.

And that's what Roberta just was identifying and, therefore, in order to have as much discussion here or as much resolution, then we need to know what has to get on the table at the work groups.

And I would just ask that we have the help of the work group participants and also those who are in other

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discussions to inform Lester as to what the staff needs to do.

We also wouldn't want to suggest that every independent discussion, dialogue or work group become another parallel to BDAC.

Then that's really truly duplicative when you've had an open invitation to all of the participants. We want to make this as efficient as possible.

But I do want to thank those of you who have been discussing this very openly, for the letters that have come forward, for the questions that Steve posed about who is included in which dialogue just so we get it out in the open and now start asking what else has to go on in the work groups for us to get to the issues.

I also want to say the letters are finally beginning to talk about some specifics that we've been asking for a long time. So in any event we are getting down to some issues that we haven't been able to articulate, we haven't been able to get our hands around because nobody has been able to state specifically a position. So now we have something to really begin working with.

CHAIRMAN MADIGAN: Thank you, well said.

Jack.

MR. FOLEY: Yeah.

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Mr. Chairman, I think that I don't want to prolong this discussion but I feel compelled to say something.

I happen to support my colleague, Mr. Remy's point, that I wasn't sure this was appropriate for discussion here but I recognize the Chairman and Vice-Chairman's concern, but I do find this -- I've been on the road since 5:30 to get here to talk about the Bay-Delta issue and not get off onto an excursion, which I tend to think we are heading. I think the fact -- if we are going to get over this hurdle -- let me just recognize the fact that it was this group that urban coalition and ag coalition later to be joined by the environmentalists that brought us to perhaps where we are today in 1995 and we are very effective in bringing to the table solutions that at least got us to where we are.

So I feel very guilty in condemning the activities of people that are interested enough to spend time to work on the very things we don't have all the time to spend on.

But, more important than that, to get over the hurdle I think the olive branch, the invitation to participate, the fact that it's an open process, I don't know what else we can do so let's all get together. Join the group, work with them, input, and then let's get on

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with the business at hand.

Thank you, sir.

CHAIRMAN MADIGAN: Thank you, Jack.

Mary.

MS. SELKIRK: I wanted to follow on Roberta's comment that I would like us, and I agree some with Jack, I think we -- we have a huge Agenda today and people are anxious to move on to the substance but before we leave the process I want to say as the Chair of a fairly functional work group and a member of some dysfunctional work group -- another dysfunctional work group that I think we do need to look at the extent to which the work groups themselves can be empowered through some more proactive facilitation to deal with the substantive issues that I know is driving all these folks to want to meet outside. You know, assurances, we are not getting to the issues, water use efficiency, we are not getting to the issues. Well, let's get to the issues, and I think there is a way to do that that's more integral within the structure that was created through CalFed. That does not preclude any outside process at all, but I want to pursue that.

We don't have to do that this morning, but I'd like to investigate that.

CHAIRMAN MADIGAN: Thank you.

Roger.

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MR. STRELOW: I think your raising this issue and getting it out has been very appropriate and healthy. I agree with the views of others that it's probably about time to move on to our other Agenda, but it seems to me the process here is working as it should.

We are dealing fundamentally with a big, very complex political marketplace and we all know there is going to be no solution unless somehow a whole bunch of interests get brought together.

The BDAC process in particular was set up to try to channel and facilitate that as much as possible.

It seems to me the appropriate thing which you've been doing is sort of probe periodically, if there seems to be some friction in the system for whatever reasons, to see is there something that BDAC could be doing better or do or stop doing conceivably that would help facilitate things more, but I don't think -- and I think you've raised that.

I don't think we should be concerned about the inevitable fact and desirable fact that there are going to be a lot of smaller group discussions when the environmental groups meet among themselves as they should and shouldn't always feel that it's somehow inconsistent with this process for them to do that.

I would never criticize that.

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By the same token I think that any groups of interest that want to spend some time in some particular format, and it is a marketplace, they have to judge any individual decision to meet and talk about issues. You have to judge, is this going to advance our interests and the overall interests best and it's useful to have this kind of a forum so people can get feedback from others but then they have to make their decisions and I think we've performed the right amount of service to get it out in the open. Having done that I think people can draw the conclusions that they will and go on and then we ought to get on with our regular Agenda.

CHAIRMAN MADIGAN: All right.

Thank you.

I appreciate the forbearance of all of you and the members of the audience while we have gone through this, but I think it is occasionally a useful exercise because we are in fact looking at the end of the day at something that is going to have to approximate consensus and that means that a lot of people are going to have to be reasonably comfortable with where we get.

The other letter that we received here recently was a letter from the Environmental Water Caucus and it also raised some questions, and, Roberta, maybe I would ask you to serve as at least as a summarizer of that and

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it's -- I guess because we each are capable of reading these things a little bit differently what you as a signer of that document believe is the message that we ought to take from it.

MS. BORGONOVO: I will, and there are several of us in BDAC who at least signed it or had members of our organization sign it.

But I want to emphasize first of all that we are very committed to the Cal-Fed process, to the consensus process, to the whole EIR/EIS process.

We've committed tremendous resources considering what resources are available.

I think that we were not asking that any of the alternatives be taken off the table. They are on the table.

That was an early on agreement but there is a sense that we would like a mid-course correction.

There is our sense that some of the elements that we see essential towards establishing the long-term health of the ecosystem, making sure that there are adequate fresh water flows over the long-term can be in place.

So we wanted to see that all of the elements are given equal weight.

We had a real concern that the first

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alternative, which is the nonstructural alternative, which I have heard many of us say over and over again is the preference, that the tools be there to make sure that alternative one can also be one of the preferred alternatives.

And I think that what you see is that some of the things that we've asked for, very strong attempts to reduce demand on the system, strong urban and agricultural conservation elements, especially the ability to acquire water for the environment through transfers, some of the building blocks that many of us came into the process believing would be there, for example, the Central Valley Project Improvement Act, the anagamous fish restoration plan, the CCMP that was done for the San Francisco Estuary Project, I don't think that CalFed is not trying to respond.

Lester has written letters back to us.

I think that what is not seen are the assurances that will be the protection of the ecosystem over the long-term and I know it's alarming when you see words like a cap but as many of us have said before if you are going to ensure that there are long-term fresh water flows for the estuary, there is an implicit cap at some point and the way in which we've seen getting there is to try to again emphasize the whole demand on the system.

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So that was the intent of the letter.
It also was accomplished -- it was accompanied by Attachment A, which was our view of what the ecosystem should be, our view that there should be many of these elements that would make sure that there is more water for the environment. That has always been the name of the game.
CHAIRMAN MADIGAN: All right, thank you.
Mr. Snow, you've received it. I assume everyone around the table has received it and is deserving of your evaluation and response and continued conversation.
Are there any questions about it?
Thank you. I appreciate that, Roberta. That was very helpful to me personally.
Steve.
MR. HALL: I guess my question is to the Chair, is to how deeply you want to go into the substance of this letter because there are some positions staked out in it that are fundamentally at odds not only with other stakeholder groups but with the expressed goals of CalFed.
And I suppose we can discuss that now or later.
CHAIRMAN MADIGAN: To the extent that the issues are substantive we have a procedure for dealing with substantive issues and that is that we have work groups, we have a Cal-Fed staff, there are a number of people who are

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available to look at them.
I understand what you're saying and certainly issues like caps and things like that are a part of it, but we have a process for dealing with those and we have groups that are set up to deal with it so rather than our doing that now -- you know, here is the thing:
If we as a group are looking at these questions with a degree of openness, then what we are in right now is a fact-finding kind of phase.
We are operating on the assumption that that's the way things are.
There is an alternative to that and it's not necessarily a bad alternative. It's just an alternative.
The alternative is that everybody's mind is made up and we will move into the negotiation process.
We haven't done that here because there is a CalFed staff and they are in fact charged with the responsibility of doing this fact-finding and the developing of these alternatives and the presentation of that information, hopefully, because that's what they are doing, that's what we are doing as well and, therefore, it seems to me that the appropriate thing to do with the letter is to refer that to CalFed and to plug those legitimate public policy concerns into the equation so as they come up as a part of all of the various things that

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everybody is doing they are considered for their value by all of the people who sit around this table with all of our disparate views.
Again, it's underpinned by the notion that we are following the sort of facts first and then conclusions approach but you are all really smart and knowledgeable people and, in fact, everybody around this table has some view of how this thing could look and there is an alternate way for us to do business if at some point there is a conclusion that we've done enough fact-finding and it's time to get on with our biases.
Alex.
MR. HILDEBRAND: Unfortunately, I think this particular example shows a gap in the system because it isn't something that can be resolved by just referring it to one of the subcommittees. It has a limited scope.
The question of what happens to the demand with population growth and whether you can by improved efficiency expect to offset that increasing demand doesn't arise if you just put this into Mary's committee, for example.
I mean, it might, but that's not the function of the committee to look at other issues that go beyond this idea of a cap to benefit the ecosystem.
So I do think we lack the system here of

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dealing with these things that go across different committees very well, and the BDAC itself I think ultimately has to address those things and yet we don't have a systematic way of putting those issues that go across committees onto our Agenda.
CHAIRMAN MADIGAN: Well, it may be true that there are individual BDAC subcommittees whose scope is limited but certainly the CalFed process isn't limited. At least it doesn't seem to me that it is and it seems to me that fundamental to their work is the notion that there are demands from additional population, there are demands for additional food and fiber and, in fact, there are demands for the ecosystem none of which are being met by the current system and at the end of the day there are going to be a bunch of people who are going to be called on to make judgments, one of whom will be each of you, in that regard.
I don't know how else we could follow things in an organized process if we can't take that letter and take the public policy kinds of issues and fold it into the CalFed process.
I mean, we could simply take everybody's letter and have a debating society around here about it, but I don't think that that's the way that we want to go. I don't know.
Sunne.

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MS. MCPEAK: Well, I was just going to say recognizing the inadequacy of work groups having scope that is not cutting across all of the issues encompassed around this table it's at least a place to begin and to notice that that item is going to be on an appropriate work group Agenda.

I want to take off the hat of a Vice-Chair and just say as a representative of employers when I read this letter, had a discussion with some of the people who signed it, I was searching for how to reconcile that position with, I think, Steve, some of the people you represent because I know that the business community is going to want to -- will think that there is validity in both positions that needs to be integrated.

I mean, what I keep getting marching orders to do is integrating environmental quality with economic vitality. Those are great platitudes but dammit we are going to make it happen because there is actually no other choice. There is some interpretation here that needs to be talked through. I want to suggest at least to try referring it to a work group and have the dialogue facilitated exactly on the issue that's raised here.

It's a good exercise, at least to get a better understanding of the difference in the viewpoints.

And I want to say in the interest of disclosure

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that finally all of these letters are providing great staff work for the water policy discussion we had in the Bay Area. We don't need anybody else now to do any work. We just start discussing what you guys are writing and that will help again to try to focus what we are discussing as the Bay area perspective, which is not just to talk about CalFed but it's to talk about how do we have assurances on environmental quality and water supply going into the future and these are now beginning to help, I think, inform everyone as to the nuances of differences of opinion and we hope to have a discussion around some of the work that's coming forward.

CHAIRMAN MADIGAN: Thank you. Mary.

MS. SELKIRK: Just briefly.

Mike, I just wanted to speak as the Chair of the ecosystem restoration work group.

In response to Alex's comments I agree that we clearly have public policy issues of enormous import. Certainly some of them were raised in the EWC letter.

However, there is -- granted the ecosystem restoration group does have a limited scope.

However, within that scope we will be looking at magnitude, levels of restoration, the issue of flow, what kinds of flows may or may not be required under what kind of condition for what kinds of habitat restoration at

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what times of the year.

That is part of the technical debate that will be debated specifically in some technical workshops that are going to happen in the next couple of months. So those issues are being dealt with from the standpoint of the needs of the estuary. And the larger question of how we are going to get there, that's what we are supposed to deliberate, and I agree with you that increasingly as we have to look at an integration of all of the components in the CalFed Program that we are going to be called upon to carry out a very disciplined progressive iterative process to get to some kind of agreement about what the alternative can look like.

CHAIRMAN MADIGAN: All right. Thank you.

Thank you all for your patience and participation and, Mr. Hall, for your last question.

MR. HALL: Well, I just feel the need to better understand how we've closed this.

I certainly agree with the Chair that today is not the time or the place or the forum to hash this all out.

And with the implication that we have a manager and a staff and we ought to let the manager manage.

I'm fully in agreement with that. But I can't help but be struck by the fact that we have one of the

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three major stakeholder groups enunciating a position that is at odds with the CalFed objectives, which it is in my view premature because we don't have all the facts in, but my view is sort of irrelevant here.

It's really whether we are going to use this process or not.

What I think we all run the risk of doing is pretending to use the process while simply staking out positions and hardening them.

We're they are going to start the negotiations now or we are going to wait until the facts are in, as the Chair has said.

And I think we run a grave risk of using these meetings as window dressing to play act consensus while we make sure that our positions are legally and politically ensconced.

And, frankly, I don't think we can be satisfied as a group. I know I can't be, unless we have some process by which our manager is going to report back to us, I hope at the next meeting, just how this kind of issue is going to be dealt with.

CHAIRMAN MADIGAN: Lester.

How are you?

You've been strangely silent for the last hour or so.

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EXECUTIVE DIRECTOR SNOW: Would that be what he was referring to?

CHAIRMAN MADIGAN: Yes.

EXECUTIVE DIRECTOR SNOW: Well, okay. Let me start, I guess, by saying that maybe I'm too much of an optimist in a case like this, but I'm not overly concerned about the dialogue we are having now, either written or oral.

We have had different aspects of staking out position through the entire program, maybe a flip side of what appears to be in the EWC letter that was earlier on in the program when we certainly had a lot of major water users indicate, well, we know what the solution is, we knew in '82 what the solution was, now get on with it. We worked our way through that in terms of indicating there is a lot of ways to deal with this.

And I think my first step in this case is, first of all, to get a meeting with the Environmental Water Caucus to try to understand what appears to be a lot of other issues, maybe even under the surface, policy issues and principles that they feel we haven't addressed.

And so I want to find out bottom line issues in the context of the CalFed goals, objectives and solution principles, and I think that's part of the point that Steve is raising. I mean, we have an established a process

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around here. We have established goals and objectives, we have established solution principles.

If somebody is trying to change the basic shape of the field and our goals and objectives and solution principles then we probably have a process that's over.

If somebody is trying to interpret the approaches that we take and how we can go about meeting those in an innovative way or a way that we have not included, that's a different story and we need to engage in that discussion and I think as Steve has suggested, I am hoping I can have a meeting with the caucus in the case of the specific letter between now and the next meeting and that we are being able to articulate and refine what the issues are and we can determine whether they can be integrated or not integrated.

If at some point we identify an issue that in the context of CalFed we say we cannot integrate that, that's not going to happen then that stakeholder group is going to have to make a decision whether they can continue to participate or not.

CHAIRMAN MADIGAN: Gary.

GARY BOBKER: Thank you, Mike.

I don't want to get into the substance of the letter either. I think you're wise to defer working out specific policy issues. I just want to talk about the

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ultimate stand taken or concern -- part of the concern expressed in that letter.

The letter written by EWC obviously did not recommend nor ask CalFed to cease consideration of any alternative.

We are, as Roberta said, heavily invested in this process. We will continue to participate in feedback and evaluation of all the alternatives.

However, offering our view at this point in the process is often helpful, and one of the things I think that's become apparent has been the frustration of the environmental community that some of the important parts of the mix for whatever the ultimate solution will be perhaps are not receiving the attention that they should. Some of the what I would characterize as softer path elements that are talked in that letter and that we've talked about ad nauseam in statements that we've made to BDAC.

And it's evident I think from that letter that some of the approaches that are heavily reliant on a facilities approach are meeting with skepticism with us partly because of what we see as lack of integration in development of some of the other water management tools.

And I hope that that's the attention that should be paid to the other water management tools will be an important part of the consideration that the BDAC work

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groups give to responding and addressing in that letter.

CHAIRMAN MADIGAN: Thank you.

All right. Thank you all very much.

"Review of Phase II time schedule".

Lester, do you want to present it -- or Rick, where are you? I saw him a minute ago.

Judith, I'm sorry.

MS. REDMOND: Can I make a comment about the schedule that came to us in our packet?

CHAIRMAN MADIGAN: Yes.

MS. REDMOND: Because it seems relevant to this part of the Agenda.

CHAIRMAN MADIGAN: Yes.

MS. REDMOND: First of all, the next water use efficiency meeting needs to be added to that schedule.

It's on March 27th and, of course, everyone is invited, despite the fact -- I think it might have been the water use efficiency workshop that was suggested to be dysfunctional.

I'll get over my disgruntlement about that comment, though.

The other thing is that we've been asked -- at a previous meeting I think we asked to have the ecosystem round-table schedule and it's not in here.

So I'd be interested to know when ecosystem

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round-table meetings were happening also.

EXECUTIVE DIRECTOR SNOW: We can announce those later today.

I know that there is one this week on Friday, but I'll have the rest of the meetings that we have schedule announced later today.

Under the schedule as kind of a follow-up to discussion at the last meeting we wanted to indicate what the basic schedule was and take particular care in pointing out public input, public review opportunities that you would see over the next year or so.

So Rick's going to walk us through the basic schedule.

MR. BREITENBACH: As Lester just indicated, at the last meeting there was a request from members of the council as well as folks in the audience about upcoming opportunities for the public to be involved in the program and so this morning what I'd like to do is step you through a list that we have put together of opportunities for the public involvement.

I'd like to do this with a general overview and then I'll talk about it more specifically, each of the items more specifically.

As you can see on the left-hand side are the items for the opportunities for public involvement and they

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are basically broken down into three groups; BDAC meetings, Workshops and then work group meetings.

Items with a number are specific work dates.

Items with a bar in orange are review periods.

Triangles are dates for meetings, but we are not certain what those dates will be right now.

Items that are in a gray bar indicate they are going to be meetings but they are going to be a series of meetings within that time period.

Again, we don't know what those dates will be.

I believe that quickly covers what's on there. Now let me go back and start at the top and work my way through and if you have questions, please feel free to ask as I go through.

Obviously, BDAC meetings, the next one will be April 10th. And then we show one in June and one in August.

Coming up next, would be next week, the 20th, both water use efficiency and storage and conveyance are going to have workshops.

The package for those workshops went out Monday so you should be receiving them in the mail at any time and there will be opportunities not only to participate at the Workshop itself but also to send in comments through, I believe, April 6th.

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Approach the impact assessment Workshop, April 29th, we hope to be able to lay out what we intend to do with respect to impact assessment throughout the EIR/EIS process and hopefully we'll even have some output at that time to show you some of the impact analysis work that we've done.

Impact analysis Workshops, these are additional Workshops that we are going to hold as information comes forward through the impact analysis process. So we can give you a good understanding of what is coming so that there aren't any surprises when the draft does eventually hit the street.

Alternative Workshops, we see a series of maybe two or three Workshops where we are going to sit down with everyone and explain as clearly as we can what is going to be within the alternatives.

The ecosystem reservation program, there's a Workshop coming up April 8th and there will be about a 45-day review period following that Workshop.

As I understand it, there probably won't been a whole lot of information put out ahead of time.

Assurances work group and the finance work group, we'll hold a Workshop on May 15th.

Finance Workshop or finance work group is indicating -- the finance people are indicating that they

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will there will probably be about a 30-day review period following that Workshop.

Work group meetings, the ecosystem restoration group is intending to meet on the 26th of this month, the 30th of April.

Water use efficiency work group will meet on the 27th of this month.

Assurances work group is going to meet April 24th and then each month thereafter.

And the finance work group will be meeting each month.

They had a meeting last night, as I understand it, and they will be meeting each month through the rest of the summer.

Any questions before I move this one?

Yes, Ray?

MR. REMY: Could you identify which of those meetings will not be in Sacramento?

MR. BREITENBACH: Which of the meetings will not be in Sacramento?

My sense is that all of the Workshops will be in Sacramento. I'm not sure about the BDAC meetings.

Can anyone help me with the BDAC meetings? Will any of those been outside of Sacramento?

MS. GROSS: We are still trying to plan

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one for San Francisco but we don't know.
MR. BREITENBACH: It's my understanding they are still planning and they're not sure they'll be, but it looks like everything is going to be within Sacramento.
One more overhead.
Continuation of -- wait a minute. Somebody has put the same two in here.
That's all right. I have a backup (indicating).
Public review of the Draft EIR/EIS.
We see that starting along about the middle of November and continuing into the early part of February.
We intend to hold public hearings in January, several of them all over the State and then in May we intend to hold some Workshops.
Again, we'll go all over the State explaining to people what changes we've made as a result of input we've heard in response to the Draft EIR/EIS before we get into publishing the final document.
Then you see public review of the final document in August and September of '98 and the work groups haven't identified any meetings after October of '97, but I assume there is going to be several of them continuing as well.

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Any questions?
CHAIRMAN MADIGAN: Alex.
MR. HILDEBRAND: I think it's kind of self-evident that you can't assess the impact of either conveyance or storage facilities until you know they are being operated and I don't think we've seen that yet.
When is that going to take place?
MR. BREITENBACH: When is the presentation of the storage and conveyance information or the impact analysis of the storage and conveyance pieces of the program?
MR. HILDEBRAND: You had on your list there dates when you are going to make the impact analyses.
I don't know how you can make Tim packet analysis of either a storage system or conveyance system without knowing how it's going to be operated.
I don't believe we have yet seen any proposals of how these will be operated.
MR. BREITENBACH: Steve informs me that the Workshop on the 20th (indicating) is where the disclosure will start with respect to how storage and conveyance will be operated, what parts of it will become part of the alternatives.
But let me take your question just a little bit further.

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Impact analysis can begin, I believe, earlier than us knowing how we are going to operate the program.
I am pushing right now to start working on what I call footprint impacts.
You are going to build reservoirs, you are going to build conveyance systems -- assuming you are going to build reservoirs, assuming you are going to have conveyance systems, assuming you are going to have places to store water in the San Joaquin -- San Joaquin Valley, I believe we can go in now and begin to assess the physical impacts of those programs, particularly since we are doing a programmatic environmental document, give us a general sense of what those consequences are.
If you intend to restore riparian habitat in the causeways up to, say, 30 or 40,000 acres of riparian habitat, I don't think we've got to go in right now and look at all 30 or 40,000 acres.
I think we can go in and look at representative areas of riparian habitat restoration and get a sense of what the consequences are and put those in the environmental document. So we can start those footprint analyses as we learn more information from modeling, as we start modeling we can then start looking at those impact analyses -- or start conducting those impact analyses as well.

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MR. HILDEBRAND: Well, I agree that you can go ahead with the impact of the facility -- the construction of the facility itself, but how that will affect either the ecosystem or the export water supply or configuration of the Delta and so forth in terms of how it's operated depends on how it's operated.
MR. BREITENBACH: I would agree.
MR. HILDEBRAND: There is a question of what is the plan of operation and then, of course, you get into the assurance of how you know that's going to happen.
MR. BREITENBACH: I would agree.
CHAIRMAN MADIGAN: Thank you, Rick.
Lester, moving on.
EXECUTIVE DIRECTOR SNOW: I just want to take a couple of minutes before I turn this over to Steve.
There is a lot of ways to try to summarize this. I mean, the alternatives that we are putting together or the process that we are in, what we've been focusing on is developing the pieces of a solution. We've been spending a lot of time on that and that's kind of the whole way that we are structured and what we are busy moving into now is the integration of the pieces and I think we'll start to see that, in fact, the integration or how these pieces fit together are as important as the pieces are, and then shortly we are going to see that the

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assurances of implementation end up being as important as the pieces and the integration of the pieces and so we are kinds of on a progression here and so we are at the stage today where we are doing two things.

We do want to describe in more detail two of the pieces, storage and conveyance, and then also ecosystem.

But we want to begin talking about how these things integrate together and to do that give you two examples of integrated alternatives.

I have kind of a model level to set up what will be the main topic of the April meeting where we hope to be able to give you a good description of these integrated alternatives.

To set that up I want to talk about this blank page here.

Actually, can we get some other things up on it? Pull them all up.

One of the things that we are testing today and you may get a little annoyed with us is the system of graphics.

I'm sure you will think we are doing this as a result of my addiction to graphics and that may be true. However, I think you'll see when Steve talks about storage and conveyance we are trying to develop a system that can

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start showing, once we refine these, actually how some of these things operate, to get to Alex's point, to be able to illustrate filling of reservoirs and when you divert and when you drain and when you have outflow, where habitat fits in to start being able to actually create a better understanding of how these pieces fit together and so we are going to try to do some of that today.

My point here is a very simple one and I'm going to go back over kind of two basics concepts, that if we are not on board with it, we are not going to understand integration, and that simply is that a solution has to address all of these goals.

We don't have a primary goal and secondary goals. These are the four goals of the program. So if we have a solution that doesn't address one of these goals, it's not a solution the way we have defined the program.

To reiterate, we've used this one a lot and it's been kind of a cute graphic to illustrate a point, but this isn't a cute point.

This is driving the whole program. We are striving to develop alternatives that fit in here (indicating), not alternatives that are just your kind of wiring together, independent actions.

We are trying to find alternatives and integration of these actions and ways to operate that put

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us in this area where we are solving multiple problems, and our objective is that every single action that we implement, every single component, addresses more than one objective.

Next one.

Can we go to the next one?

I want to make just a few points on this and then turn it over to Steve (indicating).

This is a basic model of how we are going to try to present the alternatives and start doing that at the April meeting.

What we want to do for each of the alternatives and then the sub-alternatives and you'll see from the discussion of storage and conveyance, we do have the three basic approaches of the three alternatives but when you start looking at configurations you end up with more. You've got some kind of sub-alternatives or ways to break an alternative up.

What we want to try to do for each is develop a basic narrative overview of how it works, of how it meets all four goals and how it meets the objectives.

We want to discuss specifically how the components relate to each other, how they link together, and something that's very important, Alex often makes this point, to start describing how they operate, the operation

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side of it.

And then to give some sort of tabular listing of the actions so you start getting a feel for them.

So that's kind of the basic model that we plan on using as we start bringing these alternatives forward.

There was another point that I wanted to make but . . .

Seems like there was another point I wanted to make, but -- yeah, I guess at this point I'll turn it over to Steve.

What we want to do is have Steve give you a couple of examples, like alternative one and alternative three so you get a feel of how we are going to do this.

These are not flushed out at all. What we would do in April would be more detailed. Once Steve has set that context then move on to a little more detail on storage and conveyance and then it will probably be after lunch before we get to the ecosystem program.

Steve.

CHAIRMAN MADIGAN: Mr. Yaeger.

MR. YAEGER: Thank you.

I think the presentation Rick gave you on the timeline probably gave you a sense of where we are in Phase II.

If we had our six step slide up here for

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Phase II, you'd note we are completing the component refinement, moving in to integration of components and alternatives.

Since about October or so we've been holding Workshops on various components of the program.

We've been also presenting them to BDAC. We presented, I think, the levee component in November, gave you some concepts out of the ecosystem component in October and November.

And we moved on, presented the water quality, water use efficiency programs and today we are going to be presenting the storage conveyance component and more detail on the ecosystem component of the program.

However, it's important at this time that we start re-introducing the alternatives concept, start thinking about the programs, the common programs, the variable programs, again within the context of the fuller alternative because it's extremely difficult, if not impossible to understand how the programs work when you look at them individually separate from the full alternatives because they cannot operate, they cannot meet the goals within the resource area let alone the full goals of the program without being integrated into full alternatives, without benefiting from those interactions between the various programs.

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So what I'm going to do is try to give you some context for the presentations on storage conveyance and ecosystem that are going to follow. We are going to kind of tag team this.

I'll try and set this up and then Stein will talk about storage conveyance, present some of the details there and then Dick will present some of the details on ecosystem restoration program.

So I'm going to walk you through and kind of build a couple of example alternatives.

It has a couple of purposes.

One is to give you a preview, as Lester said, of what you're going to see in April and May.

There will be a lot of material there presented on the alternatives because we have several variations of each of the three basic alternatives, and I think it adds up to something over a dozen sub varieties of the alternatives by the time you look at all of the different variations.

Let's get started with looking at our first example alternative is a variation of alternative one out of Phase 1.

You'll recall three alternatives there. Alternative one was the concept that dealt with existing Delta conveyance conditions; that is, building an

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alternative around using the existing Delta channels and the existing pumping systems.

This would be one particular variety of that. I think we have two other varieties of alternative one we'll be presenting in April.

One variety that we'll be presenting then that is not part of this example does include an alternative in which there is no increase in existing Delta pumping capability and there is no additional storage added to the system.

However, there are, of course, the ecosystem restoration program, the water quality program, the levee program and the water use efficiency program.

This particular example utilizes a concept in which we are increasing the diversion capability of the existing pumping plants, State and Federal.

That gives us additional water supply system flexibility, which also can contribute to reducing impacts on the fisheries, improving environmental conditions in the Delta and also gives us additional capabilities for water transfers which, of course, can remove some of the demands on the estuary and provide both water supply reliability and ecosystem benefits there.

Now, the foundation for this alternative, the differentiation between the other alternatives being the

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way the water is conveyed through the Delta, but the foundation of this alternative, again, is the water use efficiency program; that is, we have urban conservation, we have ag water conservation and efficient management of ag waters, we have recycling and a special emphasis on water transfers. In addition to the water quality program that is included in this alternative includes actions for control of toxic sources.

That includes actions for ag drainage management, actions for mine drainage management as well as land conversion actions that deal with some of the hot lands from a water quality standpoint.

The alternative also is built on a foundation of levee system integrity, which includes actions to improve the Delta levee system, add additional stability there, ecologically sound maintenance and stability programs for Delta levees as well as emergency response procedures to respond to the flooding such as we saw this last year.

The additional part of the variable program that is combined with the conveyance concept in this example includes storage, offstream storage north of the Delta, includes storage within the Delta, and additional storage on the San Joaquin system by raising existing dams on that system.

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The benefits that the storage provide are additional water supply reliability for all uses, and that includes ecosystem uses, additional water storage within -- dedicated water storage within the reservoirs that would be provided as additional fisheries flows in the spring as well as additional water to shore up the water supply system reliability.

So as you can see there are these cross benefits among the programs that you realize by bringing the components together.

The ecosystem restoration part of this example alternative includes habitat development in all of the green areas that you see, development on the Sacramento River, development of habitat on the San Joaquin, measures to improve fish passage on the main rivers and the tributaries, watershed management for ecosystem as well as water quality benefits, and additional flows related to spring needs for fisheries throughout the system.

The benefits that we get from the interaction between the ecosystem program and the storage and conveyance program provide additional habitat, not only structural but habitat related to the flow and it's provided out additional storage and, of course, the habitat that we are creating, additional sustainability that will be available in the ecosystem because of the interaction

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between the ecosystem program and the water supply reliability program will increase the water supply reliability not only for beneficial uses in a consumptive way but also increased reliability for water supplies for fisheries and other ecosystem needs.

The levee improvements portion of the alternative includes, as I mentioned earlier, the five parts of that program, the emergency response program, the ecologically sound maintenance and levee stability parts of the program and the program that deals with subsidence and curtailing of subsidence within the Delta.

Those improvements provide benefits in a wide variety of areas; water supply reliability improvements from the standpoint of reducing the risk to that system from levee failures, provides habitat benefits as a result of the part of the levee program which promotes habitat restoration on the levees within the system, and it also, of course, promotes system integrity which provides additional flood protection benefits for the land uses within the Delta as well as the infrastructure and people that live within the Delta.

The water quality part of the program, and that's designated by this -- this is supposed to be a drinking water glass with high quality water in it -- that part of the program working together with the ecosystem

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restoration and the water supply reliability part of the program, provides water quality benefits both for drinking water quality and for ag water quality and for ecosystem water quality.

The measures that we are taking there on toxics control and drainage management and watershed management provide substantial benefits for increased aquatic water quality in the main stems, in the Sacramento and the San Joaquin as well as within the tributaries within the system.

So, again, the parts of the program, storage, ecosystem, and water quality, are again working together to provide these cross benefits and to provide synergism between the benefits provided by the different parts of the program.

As I said earlier, the storage and conveyance part of the program is built on a foundation of water use efficiency, and that includes ag water conservation and best management practices, urban water conservation, water recycling and especially water transfers, a special emphasis on water transfers.

The benefits provided by that program in conjunction with additional storage and conveyance and the ecosystem parts of the program, along with water quality come together to provide additional system reliability and,

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again, that's reliability for both ecosystem water supplies and for water supply reliability for urban and agricultural use.

Water use efficiency programs also add linkages to ecosystem providing additional benefits there, reducing demands on the system, and also the water transfers part of the water use efficiency, of course, provide a way to provide both water supplies for the ecosystem and for urban and ag use and to reduce demands on the system which have ecosystem benefits.

Lester talked a little bit earlier about the operational concepts that will be tied to each of these alternatives and Alex has stressed the importance of that.

Again, with each of the alternatives you are going to see in April and May there will be operational concepts described. There will be a range of concepts which we are looking at concepts for operating the storage and conveyance facilities that would range from concepts that would be more focused on environmental benefits all the way to the other side of the spectrum, the concepts that are focused on water supply reliability.

So we are going to provide that range. We'll be looking at variations within that range during the following parts of the program, but in April you are going to be seeing these ranges that we are describing for the

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operation of the facilities and some of the benefits then that are associated with those operations, both from an ecological standpoint and from Water Supply reliability standpoint.

The classic example that we have used for operational concepts has been filling the reservoirs during the least environmentally damaging times and then releasing water from the reservoirs, dedicated water for fisheries and ecological benefits as well as dedicated water for shoring up water supply reliability.

This completes our example one.

Again, the focus here is to try to reinforce the concept or re-introduce the concept that we had earlier in the program that the common programs and the variable programs come together to form a full alternative, that the programs can only be understood completely within the context of the full alternative and the synergism of benefits we see between the programs across the board.

Now, we are going to move into a second example alternative, and this is a variation of what we had in Phase 1 as alternative three.

That is a dual conveyance system.

I am not going to spend a lot of time walking through this as I did with alternative one but only emphasize that again in this alternative, all of the

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programs are there within the alternative, the foundational programs of levee stability and integrity, the foundational program of water quality, of ecosystem restoration, and especially the water use efficiency program, the recycling, the conservation, the water transfers, those serve as the foundation to build this example alternative on, also, in which we have displayed 7,000 cfs of isolated conveyance capacity and then 8,000 cfs of conveyance capacity through existing Delta channels.

Again, as with alternative example one all of these programs work together to provide additional water system flexibility both for ecosystem use and for water supply reliability, provides a different level of capability for water transfers, and in this case produce -- produces a higher level of reduced entrainment for the fisheries and a different level of improved water quality for both agricultural and drinking water uses.

As with example one we also couple storage with the conveyance concept and again storage north of the Delta, offstream storage south of the Delta, also, and additional storage on the San Joaquin system through raising existing dams, storage in the Delta.

So all of these programs come together to provide the full range of benefits. They work together. There is synergism between the programs and we can produce

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multiple benefits by linking the programs carefully together.

So this has been kind of a preview again of what you're going to see in April with more than a dozen variations of all of these alternatives, of the three basic alternatives, that is.

We want to -- you to consider this as the context in which you are going to consider the presentations that Stein is going to make to you on storage and conveyance and Dick on ecosystem, that those programs are melded together into these larger alternatives with the other programs and that's the type of presentation that you are going to be seeing in April and May as we start considering the more detailed alternatives and the information that we are going to provide about benefits and impacts associated with those.

I think that's all that I wanted to say about the example alternatives.

I'll turn this over to Stein and then we'd like to I think field questions at the end if we can so we can keep this all within the broader context.

CHAIRMAN MADIGAN: That's fine. Stein.

STEIN BUER: Good morning.

I'd like to -- can you hear me okay with this? Do I have this high enough yet (indicating)?

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CHAIRMAN MADIGAN: Fine.

STEIN BUER: I'd like to accomplish two things this morning with my thoughts.

First of all, to leave you with a fairly clear impression of the analytical process for going through for the storage and conveyance finding process.

Secondly, to lay the foundation for your evaluation of the question posed for BDAC in the packet, which is is the range of alternatives adequate for the programmatic EIR/EIS.

Have you seen my show? I think we are all done. We can break for lunch.

In Phase 1 the program defined the mission, the objectives and three alternatives, and it developed four common programs -- bring up the next -- just bring them all up.

The Common Program for ecosystem quality, water quality, levees, system integrity, water use efficiency and the variable component, storage and conveyance.

The idea here is that these programs are generally the same but help to fine-tune to adjust for the linkages that need to take place between the specific configurations of the storage and conveyance facilities and these common programs.

Okay. Go to the next slide.

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Now, among the three alternatives the first major alternative is with the existing Delta conveyance system.

Then for alternative two we intend to explore alternatives for improving the Delta's through-Delta conveyance capabilities.

What I'm showing here is just a general corridor to indicate that the pathway for water transfers through the Delta is not indicated to indicate a particular pathway, a specific pathway flow.

Alternative three also includes the option of supplemental flow to isolated conveyance facilities.

So the three Delta -- the three main alternatives then include the three solutions to the Delta conveyance problem, plus the storage options both upstream and in the Delta.

These include groundwater storage and conjunctive use, in lieu conjunctive use and serve as storage options.

Now, there is a very broad Geographic Scope to the program so we are looking at tributary storage in the Sacramento River watershed, tributary storage in the San Joaquin watershed, in-Delta Storage and off aqueduct storage downstream from the Delta associated with the State and Federal facilities.

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Could we go to the next slide.

As we move through the Phase II process we have several very important challenges that we need to meet.

First of all, we need to be sure that we are open, obtain your input, incorporate your suggestions because that's the only way that we can have your support and move towards consensus.

Secondly, as you are well aware, we need to complete a document, the programmatic EIR/EIS plus identification of a preferred alternative.

And as we do this we have to be sure that we lay a solid foundation for compliance with the Clean Water Act, specifically, the 404(b)(1) regulatory process which is quite rigorous and it demands that as you go through an alternative selection process you explore every reasonable option and evaluate the environmental and practicability issues.

So we don't want to get to the beginning of Phase III and find out that we have we misstated or failed to jump over an issue and have to go back and start over again. So in addition to your support we need to make sure that we meet regulatory requirements of the process.

At the same time we need to move quickly, not just because it's an expensive process and it's difficult to continually engage the very large number of stakeholders

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but also because the technical studies that we conduct have a shelf life that is relatively short.

Modeling studies expire within a few months after completion.

Field studies for environmental resources also have a very short shelf life so it's almost like baking a big banquet, all of the dishes have to be prepared at the same time if you are going to successfully have a good meal at the end.

Next slide.

This slide is really the heart of my presentation so I'll be coming back here several times talking about the concept here as a whole and then the individual components of it.

What you see here is a flow of information from left to right more or less in chronological sequence.

There are really two kinds of pathways here.

The top half of the slide -- can anyone not read it here in the back?

Let me just use a pointer if I can figure out how to point this.

These are operating parameters, system modeling, spreadsheet post processing, Delta modeling and three CalFed alternatives and multiple configurations.

That pathway is essentially a conceptual look

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at how the system would work with CalFed alternatives.

It involves modeling on the large scale and modeling the specific information and impacts on the Delta.

As you can see, operating parameters are the very first box in the process.

As Alex pointed out a few minutes ago, we recognize, too, that the way a new system would be operated in conjunction with the existing system is central, fundamental to the success or the outcome of any kind of facility we could construct.

You can build a particular facility and, for example, you could operate it for a high annual yield by filling and dumping it every year or you could operate it to give you a higher secure drought supply by holding the water for many, many years.

The net effect is an impact on costs and available water supply.

You can operate it for urban water use, for ag use, for environmental use.

So the ramifications of these operating rules cannot be overstated.

At the same time I don't think it's CalFed's role to design those operating rules. I think it's our role to facilitate the flow information from the stakeholders, build those suggestions into coherent groups

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of operating rules and then display the results for you through the modeling process.

So with system modeling and spreadsheet post processing and Delta modeling our hope is then to be able to display for you what the effects of these new facilities with operating rules might be.

The lower track here I show a facilities inventory and screening, environmental evaluations, engineering evaluations and groundwater evaluations.

This pathway is a recognition that facilities are not just conceptual. They are real facilities located some place with real impacts.

You have to consider geology, biology, fisheries impacts, distance from existing facilities, construction costs. All those things come into play because these facilities have to exist some place.

And concurrently with the evaluation of the system at a conceptual modeling level we have to cast a wide net and determine which among these choices might work and how we can sort through them to a reasonably manageable group of alternatives.

This information then has to come together as we formulate the three CalFed alternatives with multiple configurations.

I say multiple configurations because, as we

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have stated it, the three alternatives really give you a very wide range of potential activities and as we plan to define them in the programmatic EIR/EIS in terms of ranges, those ranges have to be rooted in reality.

They have to be based on solid costs, real facilities, so that we are not just waving our hands when we tell you the range is from zero to three million.

We have to be able to ultimately identify physical sites where you can find three million acre feet of storage and identify the costs associated with that.

Okay. Let's go to the next slide.

Let's talk a little bit more about the operating parameters.

Next slide.

The kinds of operating parameters we are talking about include what would be the constraints for diverting water to offstream storage, for example, such that you protect important ecological and biological and hydrologic processes.

The Delta protective parameters are, of course, critical and have been a source of tremendous discussions over the years.

For the time being we have assumed that those are essentially in place.

As we go through this process and the

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discussions evolve certainly there will be discussions of how any physical changes in the Delta may affect the need for changes in operating rules -- or operating parameters, excuse me.

If we choose to store water for environmental benefits, at what point in time, what kind of releases from storage would be most beneficial for those resources?

Would we release pulse flows in the spring? Would we release a lower period of flat flows later in the year or would we have a series of pulses for protecting specific resources?

Those kind of things have been the source of quite a bit of discussion and we have been receiving input from stakeholders on this and other issues.

Similarly, storage and releases for water supply are critical, both in terms of the cost of water, in terms of the availability for the various users.

The issue of carry-over storage, I've touched on a couple of times. It has a very profound effect on the value, the cost of the water and the size of facilities may be justifiable. So we have to consider not just the size itself of the facility but the changing value of water over time and availability.

Next.

Let's go to system modeling, next slide.

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The system as we know it now is remarkably complex where we have many agencies and two major State and Federal systems operating together in a very large and complex hydrologic system.

So any model that's going to reflect that and provide us with guidance how to operate in the future must also be complex.

For the time being CalFed has chosen to use DWRSIM which is a system modeled and incorporates both the State Water Project, Central Valley Project, and all of the major river systems that feed into the Delta as an analytical tool.

This is a monthly accounting model which addresses the operations of both the State and Federal systems and the coordination that goes on between them.

I think I covered the other issues so go ahead.

This slide is brought up to indicate that indeed the system is comprehensive and the model really covers both the Sacramento and San Joaquin Valley and the operations of all of these reservoirs either actively or pre-operated in a modeling effort.

As we try to introduce new facilities into the system then the model has to be modified to incorporate those new facilities.

The effort to provide the tools to model new

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facilities began last August, and it included efforts to incorporate upstream surface storage either offstream or onstream, upstream groundwater storage, in-Delta storage and adding isolated conveyance to the existing Delta configuration as well as adding offstream storage associated with the Delta conveyance system.

Quite a bit of progress has been made and the model has been used now with these new facilities in a test mode and we are moving towards the point which we can get a valuable production output to look at these various facilities.

This is the main analytical engine that will be used to look at the system as a whole.

However, the system model, because of its complexity, is very difficult to use for quick evaluations.

Next slide.

Keep going.

And if you look at the system as a whole, you will notice that there are many, many rules governing the allocation of water, but there are times during which there is water above and beyond that which is required to meet all of the regulatory requirements for in-stream flow, for protecting the Delta, for navigational flows, for diversions and so on.

So this is what I guess you'd call unallocated

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water.

And what the spreadsheet approach can do is to look at the volume of available water and that's what a new facility would be able to work with.

That is potentially available for diversion to storage and re-operation.

So, for example, I show here a hydrograph from a river system.

Go to the next slide.

And a typical operation we've been talking about is allowing a pulse of water of sufficient magnitude to protect existing fluvial and biological processes in the river to pass by and then pick up a certain amount of water that is deemed to be nondamaging to the fluvial processes and put that in storage.

We got a little bit carried away with our art here but it's supposed to indicate that this water is flowing to storage (indicating).

Next.

In using our spreadsheet sometime later in time we can then evaluate the option for releasing this water from storage and evaluate the potential benefits either for environmental or agricultural or urban purposes.

Next slide.

The advantages of coupling a system analysis

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using a large model like DWRSIM with the spreadsheet post processing is that this approach is quick.

You can do literally hundreds of evaluations in the space of a few days so that you can conduct sensitivity analyses that would be really impossible to do with a larger model.

However, it does not re-operate the system. It's only working with that portion of the water which is not already allocated.

But that's a portion of the water that we are actually talking about using to address CalFed's multiple goals.

The system does not integrate these new facilities with existing facilities operation has left in place permanent aqua from the DWRSIM and what in fact it does is we can add additional facilities in the spreadsheet and sequentially operate those and see how they would work. So it's not a full emulation of the system but the advantages are, as I said, you can move quickly through the sensitivity evaluation process and use that to guide further DWRSIM studies that would then give you a fairly reliable comparative look at how new facilities would affect water allocations as a whole.

Next slide, please.

The next slide shows Delta modeling.

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At DWRSIM the system model treats the Delta more or less as a black box that requires certain out flows at certain times to comply with existing standards.

It doesn't look at the interior of the Delta at all of the things that are happening there, but, of course, this is the most critical resource that the program is concerned with and we need to look inside that black box and develop a very good understanding of how the various facilities and operating rules, operating criteria and parameters, would affect that very precious resource.

Next slide.

I bring up this slide again to emphasize that again operating parameters are critical for the evaluation of Delta resources.

Now, the Delta simulation model in essence simulates all the channels and interconnections within the Delta.

It simulates the tidal flows, a simulates the inflows, the consumptive use of water due to farming activities and natural evaporation, even rainfall, both the hydrologic balance from all of the key prospectives.

It also can simulate the movement of salinity and particles within the Delta. It gives you a tool for looking in great detail at the potential effects of alternatives on the Delta.

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MS. MCPEAK: Does this include temperature?

STEIN BUER: This does not include temperature.

However -- and temperature is very difficult to model in the Delta.

There have been some preliminary attempts to model temperature in certain portions of the Delta with some limited success.

But the main engine for analysis does not give you reliable temperature information.

In other words, I think -- I wouldn't rule that out for certain specific purposes, but the tried and tested components of this tool are water flow, stages, velocities, and salinity distribution, and these tools have been used long enough to give us a pretty good sense for how well the models do, and they do remarkably well in most cases.

Now, this brings up an interesting issue.

Earlier this fall the USBR and USGS suggested to CalFed that the models really weren't up to snuff because they hadn't been recalibrated over the last several years and new information, new velocity information and new geometric data was available and had not been incorporated.

And, furthermore, that this data suggested that instantaneous velocities simulates in the model were

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significantly off from what this new data indicated.

Well, we feel it's very, very important that we are using the best available tools. It's not always necessary that the tools be perfect, of course. They need to be appropriate for the job.

But recognizing that as we move forward in the process the demands on these analytical tools will become more and more demanding.

We initiated an effort to recalibrate the Delta simulation model and that effort has been going on now for about three months and is nearing completion.

So we will have available a fully recalibrated version of this model for use in the coming months.

Next slide.

There are really two ways of using this model, at least two ways I'd like to talk about this morning.

The first is to use the model sort of in isolation, to look at the rather -- the gross hydrodynamic and water quality effects of a particular alternative.

That is, you can input new geometry associated with a specific alternative, say, you are setting back levees or enlarging channels or adding an isolated facility and you want to ask what is the general effect on stages, flows, velocity of salinity distribution, those things that we are very concerned about?

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And you can do that without worrying too much about the system as a whole. You can get a general idea of how flow patterns and water quality patterns will change.

Then ultimately to get a really clear picture of how things work you have to couple that with the system model so that everything works together, so that upstream releases provide flow to the Delta, diversions take water from the Delta and the Delta simulation is completely integrated with all those operations.

We have started the evaluation with looking at the Delta more or less alone so we can get an early idea of the effects of the very quite broad range of alternative configurations that have been suggested by stakeholders that we look at.

Next slide.

Okay. Now, we come down to facilities inventory and screening.

And go to the next block, please.

The kinds of facilities that we have to look at include potential surface storage facilities, groundwater storage and conjunctive use opportunities, and various conveyance facilities.

This slide is meant not to indicate that we have identified all specific facilities and here they are on the slide, but to give you a sense for the broad

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Geographic Scope.

We have started by conducting an inventory to cast a wide net that we hope has captured all the potentially feasible physical facilities that are worth looking at.

We may have missed something.

MS. MCPEAK: That's a lot of dots.

STEIN BUER: That's a lot of dots? Actually, these dots only cover the surface storage options and the inventory we have developed includes over a hundred different, separate options.

And as I said, we may have missed something and we have put together a report which we are distributing publicly at the Workshop next week that defines our inventory and it is our hope that with your input then we will take the next step to complete that inventory so that it's both satisfactory from the stakeholders' perspective and from a regulatory perspective.

Now, after we've cast this wide net and collected this very large group of facilities we have to have some kind of a rigorous and well documented way of sorting through that.

Some facilities of course have been considered many times in the past and because of costs or environmental problems or engineering problems have not

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gone forward.
But this has occurred over a period of many decades. So to be fair, we're going to need to look at this in a rigorous way so that all of the facilities get equal comparison.
This creates a big problem because casting such a large net puts tremendous requirements in terms of developing information to feed the screening process.
The general approach we plan to take in our initiating is to conduct what I guess what you'd call a red flag review. Some facilities will fall out relatively quickly without a great deal of analysis and then as you discard those and get to the more and more viable ones you need more and more evaluation.
To complete that screening process -- go to the next slide -- we need environmental information.
And what I'm talking about now is not associated with operations as Alex was referring to but the footprint evaluations, when you construct the facility in a particular Valley offstream.
For example, you are going to be affecting dramatically the land use in that area. It's going to be inundated and you have to consider sensitive species, archeological resources, geology, proximity to other conveyance facilities. All of those things have to be

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looked at.
And then evaluate it in a systematic way. Our plan is to put together and we're bringing this now a multi-disciplinary task force to conduct the screening so it's not the CalFed staff internally. It would involve other agencies and interested parties in that.
Next slide. Keep going. Keep going. Bring them all up.
This slide conveys to you the concept that we are not going to go out and conduct original field studies at this level in the investigation.
We are very conscious of the expense and we don't want to conduct needless studies. We want to conduct studies that have to be done but no more than that.
So the first step, of course, is to draw on existing information.
Previous studies, a natural diversity database put together by Fish and Game, aerial photography and consultation with locals who may know a great deal more about these facilities than we do are the kinds of information that we'll be relying on in this initial environmental screening.
The level of detail is commensurate with the programmatic description of the existing environment. That's our goal, to be at that same level.

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Next slide please.
Now engineering evaluations are critical, too, because ultimately that answers the question of practicability.
Is a particular facility cost effective?
Is anyone going to be willing to pay for it?
Is it practical to construct?
Next slide, please.
Again, to a large extent for this first cycle we are relying on existing information but that's been collected over the last 50 years and so it's important for us to somehow be able to compare those studies.
But the crudest way to go about that is to take the cost estimates that have been developed from these previous studies and index the costs to 1996 -- 1997 values -- time flies when you're having fun -- and that gives you the first rather crude way of comparing facilities. And if you find some facilities have a very high cross, an index to current levels, chances are that a more detailed look will now indicate that the facility suddenly has become cost effective.
So this is a tool that may be used in screening certain facilities that clearly aren't going to be viable.
In an ideal world we would go through this evaluation for all of the facilities and then do a careful

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screening and ultimately end up with a small group of facilities that we could then evaluate in more detail for the programmatic EIR/EIS.
We don't really have time to do that sequentially and so to provide information for the programmatic EIR/EIS we are selecting representative facilities for more detailed evaluation, more detailed engineering studies, cost evaluations and environmental work.
Now, there is a risk associated with that. We might miss something. We might miss the target and we'll have to go back and backtrack, but if we are exercising reasonably good judgment, most of our early investigations will provide useful in later evaluations.
Next.
Next slide.
Groundwater evaluations we are dealing with a little bit differently.
We recognize that this is a very, very sensitive topic and that any kind of project requires very, very close coordination with and support of local entities.
So our approach is to reach out through the various communities where there are potential opportunities for groundwater banking and conjunctive use and try to learn from the local entities, local interests, what their

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concerns are, what the potential impacts are, and if there is opportunity for synergy and build a program -- build the program opportunities from that level.

We recognize that any kind of pre-estimates of project yields are premature until you've gone through those steps.

And so we are not going to the engineering feasibility level at this point.

We have a consultant, Anthony Saracino (phonetic), working for CalFed who's systematically meeting with interested agencies throughout the Sacramento and San Joaquin Valley to learn more about those concerns and interests.

Recognizing the importance of this in the overall mix of storage, water transfers, water use efficiency, we want to give it a lot of attention but we also want to be sensitive to local concerns.

And then we come to the key box where we put it all together, three CalFed alternatives with multiple configurations.

As I said, if we had all the time in the world we would go through all these evaluations first and then have a small group -- at least a smaller group of configurations that have already gone through a rigorous screening process.

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And ultimately that screening process will be completed, but to meet our time schedule, and I think to meet our analytical needs, and this is one of the questions that you need to answer, I think, in the coming weeks and months, is is this an adequate approach?

We have a design and a draft basis, a preliminary basis, 16 configurations, that we've tried to use as book ends to get around this problem.

You know there are literally thousands, tens of thousands, even hundreds of thousands of possible combinations of facilities coupled with operating rules and we can't look at them all and even if we could, I think it would be overwhelming for the stakeholders community to follow that.

So we have to start some place to get the analytical ball rolling and that's what we propose to do.

When we say book ends the implication is you are going from A to B but we are really working in several dimensions at once, capacities, locations, operating rules, so we are actually trying to get our hands around a beach ball, not a series of books, and that's why book ends requires more than two alternative configurations. Okay. Next slide, please.

Very, very important is the issue of linkages to the Common Program.

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Next slide please.

Keep going.

So far I've talked to you about the analytical process that we are employing to define and refine the storage and conveyance elements of the program.

Well, that may be viewed as a sort of framework for the other common programs and I say it's a framework not because it's more important but because the storage and conveyance component define how water moves in the system and therefore all of the common programs have to be properly integrated with that.

So there are two ways to look at this linkage issue.

First of all, as we have tried to put together the 16 configurations embedded within the three alternatives, we have tried to do so and consider linkages along the way. For example, in Delta conveyance configurations we consider transportation corridors. We consider flood ways. We consider land use. We consider cities and towns and other competing uses.

And we've tried to at least start the process by considering linkages to all the resources.

Now, secondly, as we move into the next phase of actually integrating the four common programs with the storage and conveyance components then we have to fine-tune

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those common programs to make sure that they are tightly integrated.

In my view, and maybe I'm just -- my personal view here, one of the most challenging and interesting aspects of our job are to integrate the ecosystem storage components and the storage and conveyance because in the storage and conveyance we are talking about specific facilities and any time you are doing that there are opportunities for also synergistic, creation of habitat and reduction of impacts. I'm excited about the opportunity for the close integration there. It's not to diminish the very great importance of the linkages with water use efficiency, water transfers, and these other elements.

I'd like to digress for just a moment to say that the demand reduction in water transfer elements are also part of our analytical approach, I should amplify a little more on that, in that we can evaluate a range of demands and the demands will vary as a result of various conservation, water transfer, water reuse options and so we have the opportunity and will exercise that of displaying the effect of alternatives over a range of demands.

For our initial evaluation we've used relatively high system demands because it helps clarify the differences between the alternatives, much in a the way that a prism will spread light out putting a heavy system

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demand on the alternatives, more clearly amplifies the differences between them.

Okay. Next slide.

That was it, right? Okay.

I am going to jump back to low tech here for a moment.

I think given the late hour and I hear some growling stomachs here, I don't want to take a lot of time.

Let me just display three Delta conveyance configurations for your view, just to give you a flavor for the 16 that we've come up with.

The 16 configurations were based on input from agencies and stakeholders throughout Phase 1 and the early part of Phase II, and they are very preliminary, and we continue to seek input.

And the question, of course, we want to ask is ultimately do we have an adequate range for evaluation?

Now, how do I turn this thing on (indicating)?

Oh, the red button, okay.

Within the general category of alternative one, this particular alternative, alternative 1C includes re-operation of the State and Federal facilities, South Delta improvements, which implies the improvements of conveyance capacities in the South Delta channels and additional gates of the Clifton Court Forebay, an

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implementation of the barriers to protect agricultural water uses and fisheries benefits in the South Delta region.

It also includes three million acre feet of upstream storage in the Sacramento tributaries, one million acre feet of aqueduct storage associated with the State and Federal export facility, 500,000 acre feet of groundwater storage, location undetermined, and 500,000 acre feet of groundwater storage in the San Joaquin Valley.

Groundwater storage in this context is just shorthand for groundwater banking and conjunctive use in general.

This is alternative 2-A and this includes -- I apologize for the quality of these graphics. We just plain ran out of time so -- but it includes constructing setback levees along the north Mokelumne River for both flood protection, create a floodway through that region and to improve the water quality within the Central Delta and in export facilities, as well as the improvements in the South Delta I just spoke about.

The -- I should digress for just a moment to say that the 16 alternative configurations that we have drafted are designed not necessarily to achieve the same level of benefits because we don't really know at this point what level of costs the stakeholders and the State as

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a whole are willing to bear.

We do try to balance the solutions but, for example, this is a much lower level of implementation in terms of public costs than, for example, this configuration, alternative 3-B, which includes a total of about seven million acre feet of storage in the system, a 5,000 cfs open channel conveyance facility, through-Delta conveyance improvements, the flood way to address the very serious flood concerns associated with the Mokelumne River system and improvements in the South Delta to address the longstanding concerns there. Other configurations include massive habitat, aquatic habitat creations, alternatives, multiple intakes in the South Delta region, western Delta high state of conveyance.

There is a whole series that we have tried to design, incorporate linkages and we'll display for you next week at the Workshop for your consideration and further modification.

Well, in this talk and I'm winding up here I've tried to lay out the analytical approach that's befalling, I've tried to identify the challenges with which we face, which I think are daunting, and we have no illusions.

This is going to be a very hard process, due to the broad scope, due to the complexity of the system and due to the timeline which continues to create challenge for

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my staff who have been working overtime for many weeks to bring this information together for you.

The presentation you just heard is similar to what I plan to present at the Workshop next week. You have kind of a flavor for that. I'll present it in more detail and I will kind of roll out all of those 16 configurations.

And then I guess I should close by leaving you with the question have we adequately characterized the range to be used for the programmatic EIR/EIS evaluation?

Thank you.

CHAIRMAN MADIGAN: Thank you, Stein, very impressive.

Lester.

EXECUTIVE DIRECTOR SNOW: I guess I would like to reiterate the point Stein made several times but it's worth noting that within these basic 16 basic principles is making sure we are bracketing quite a wide range and what that ends up to in storage and conveyance is looking at a range in which you are not doing any facilities at all.

You are going basically with the existing system which means that, in fact, you may have less water deliveries available to a high end with a lot of facilities that I think by almost anybody's standard you wouldn't want to do or are not affordable so we are trying to get that

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range of storage and conveyance with basically no changes whatsoever to a lot of modifications in the system.

And we think that gives us a nice bracket and then the others can kind of fill in with nice increments between those two extremes.

We think that by modeling those, looking at the different levels of integration, that we then can provide to BDAC, to the public a broad set of perspectives on how these things can fit together.

CHAIRMAN MADIGAN: Thank you.

Sunne.

MS. McPEAK: Mr. Chairman, I think Lester, you and Stein and Steve, you've done a very good job of laying out this analysis process, and Stein several times has posed the right question, and, that is, is it adequate?

We are at a pivotal watershed place in this whole process.

If it is not adequate and if there is any objection to this analysis then we need to get it out on the table and I think it's important enough, Mr. Chairman, I'd like to suggest that in addition to asking that question today that it really be incorporated into the meeting on the 10th of April, the next meeting, with an explicit asked to the participants around this table, does this process need to be changed, improved, modified in any

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way in order to capture what we think is good analysis.

If we don't and when then we are a year-and-a-half down the road we are in deep trouble if there are some flaws.

As we were going through it --

CHAIRMAN MADIGAN: That's a good point and we'll do that.

MS. McPEAK: Good. Okay.

I know my assessment of it is probably a lot more superficial than most people's and I asked questions to Lester, got a couple of things out and maybe understand that you've done an adequate job on the calibration of the modeling.

Because that's a very vulnerable point if it hasn't been.

On the range there is -- we have in this all the options go from five to 15,000 cfs.

I've actually heard before a discussion here that would take it down to 3,000 and I really want to just say please look at that and be able to represent back to us why you wouldn't do that expanded range.

The temperature issue that Stein responded to me, and I think I understand there is a correlation with flows, but that in terms of habitat is an issue that we need to at least have addressed as if we haven't taken that

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into account on the modeling.

So those are the kinds of things, the sort of questions that I was asking Lester as we were going through, Mr. Chairman, but I really want you to confront -- have us confront as a group the process and know would we approve it or can improve it but get a sign off before too much more work is done.

CHAIRMAN MADIGAN: I agree. Excellent point.

Tom.

MR. GRAFF: I have a question, which is as you evaluate all of these alternatives is there an institutional screen?

I mean, something that says, for example, I heard Steve say a couple times that water transfers were going to be a major component of at least many of the alternatives, maybe all.

Is someone going to make an evaluation how feasible that is or what needs to happen in order to make it feasible?

EXECUTIVE DIRECTOR SNOW: The short answer is yes, and, in fact, I think that's one of the criticisms that has been made, is that we have not brought along the transfer concept in as much detail as we have other components, but, in fact, as we have said at a policy level

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on a number or occasions, some more efficient market transfer system is a part of all of the approaches.

We have a hard time envisioning an alternative, a successful alternative, that does not incorporate the principle of market transfers and that has been an issue of some controversy at previous BDAC meetings.

We have on track now a process of trying to develop some drafts and identifying issues for what needs to happen to make water transfers more a reality and in so doing making sure the transfers take place with proper safeguards and criteria so that transfers don't end up causing either environmental or economic harm.

But that has to be part of the program.

CHAIRMAN MADIGAN: Okay.

Stu and then Alex.

What I obviously expect to do here pretty quickly is break for lunch.

And we will have a full discussion time after lunch for members of the public as well as for the completion of Dick Daniel's report and participation by members of the BDAC.

But if you've got a couple of questions now, Stu and Alex, then let's go ahead and take them.

MR. PYLE: In Rick's presentation when he was talking about the Workshops there will be next week and

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then Rick indicated I think that comments will be up until the 8th of April, something like that, if I have the right item -- that you will have a period that -- you will have the Workshop, you will expect to get comments back and then you will begin to make the decision process.

What I'd really like to know is what information is going to be available for those expected that are wanting to make comments to have and to analyze other than, for instance, on the alternatives simply a list of the items included?

Is there going to be any evaluative material in there, for instance, the costs that he talks about or the impacts or is it up to each reviewer who comes, I assume, at the Workshop next week it's basically going to be a show and tell on what's included in each of the 16 sub-alternatives, but then my question is how much detail will there be and what will individuals go away with that they'll have to prepare these comments that then come back to you?

EXECUTIVE DIRECTOR SNOW: There is a number of parts to the question.

I'm not sure -- I mean, we will present stuff on water use efficiency and storage and conveyance next week at a Workshop, and we would like to get feedback on that particular level of detail, but that is not by any

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means the last place that people will have an opportunity to comment on those two programs.

It's just a place for us to get some feedback as we continue on with impact assessment.

In fact, kind of the more pointed review, I think that you're referring to, when you've got some analysis associated with it comes later in the summer when we actually run the model, we've got some indication of performance and actual impacts and those are related -- there's two types of Workshops that will be coming up.

One series is I think what Rick referred to as -- are they simply called impact Workshops -- yeah, I think the impact workshops where we actually report on here is what we are getting as impacts to these kinds of actions.

And then there is another series of Workshops that we've scheduled. They are simply alternative Workshops where we expect to go around the State and be able to explain in a lot more detail how these pieces fit together.

So those are opportunities -- and every time as we go through the summer we have a Workshop we've got more detail.

So the one next week we want a feedback on that

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particular level of detail and in the case of storage and conveyance we'll be able to explain the 16 approaches that we have, not have impact assessment next week but more configuration.

Somebody may say -- everybody may say that your high end is ridiculous, seven million acre feet of storage? Nobody can afford that, you are wasting time modeling it. If everybody says that then we have to evaluate that in terms of how much time we want to spend on it. So there's those kinds of observations that can help us make adjustments as we go.

Steve, do you want to --

MR. PYLE: I was wondering what do you expect to get out of the Workshop? Do you expect to get comments on are the proper alternatives covered or are the alternatives presented worth pursuing any further than a cursory examination?

MR. YAEGER: Well, I think, Stu, maybe to answer your question, what level of information we are going to be presenting at the Workshop is a sensitivity analysis.

We've spent the last several months trying to nail what we think are the break points in the performance of storage, for instance, and we'll be presenting that analysis.

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What we are trying to do is nail the right range from a physical and operational standpoint so we can look at it during impact analysis. So we'll be presenting that information and asking the Workshop participants to review our techniques, have we approached this correctly, does the sensitivity analysis that we've done indicate that this is the right range from a physical, hydrologic standpoint?

There is some cost information that will be presented but it's not a real detailed cost analysis yet. All of that will be evolving as we move forward in impact analysis on some of the prefeasibility studies aiming towards the fall time frame when the programmatic document comes out in a draft form.

STEIN BUER: Could I just ask -- I don't know if my -- is my thing on here (indicating)?

I'd just like to add for the Workshop next week we are handing out a technical compendium. It's about 400 pages, which is a very brief summary --

MS. MCPEAK: (Inaudible)

MR. PYLE: Yeah, I'll read that.

STEIN BUER: Well, obviously you'll have some time to respond to that afterwards. I wish I could say that we've completed the sensitivity evaluations using the spread sheets. A tremendous effort has gone into their

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development and what you'll see next week is an evaluation of south of Delta offstream storage with a limited range of operating criteria to illustrate the method and to get feedback on that.

Our staff is continuing to plow away on these things. It is a tremendous effort that is underway.

Similarly we have preliminary evaluations of some alternatives in terms of Delta impacts, simulation modeling, sensitivity studies. We've displayed some of the feedback we've gotten from stakeholder groups in terms of operating criteria and we provided a great more detail on the alternative configurations that we have kind of started this discussion with.

CHAIRMAN MADIGAN: Stu, did you want to do a book report for the class?

Alex.

MR. HILDEBRAND: The questions posed in our packet here are do the configurations of storage and conveyance facility as presented adequately represent the range of options for impact analysis, but I come back to the point that we also have to look at the range of operating plans for those facilities in order to comment intelligently on that.

And I would hope that in the packet for the next meeting we would have that all laid out for us so that

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we can write it up before we come here and not spend an hour going through the whole thing orally and can proceed in a discussion of whether we think it's adequate and when we come to analyzing these things I think we have to look not only at the benefits and impacts if it's operated as planned but we also have to consider the question of what are the benefits and impacts if the growing urban electorate has the political power to change the way it's operated?

And to some degree I think we have to address that.

CHAIRMAN MADIGAN: Lester.

EXECUTIVE DIRECTOR SNOW: Well, part of the issue is chicken and egg. I mean, to come up with a good operating plan you need to know what you're operating and so, I mean, that's the dilemma that we have.

We can't do them simultaneously and so we've tried to come up with configurations because as you change configurations it changes operating parameters.

You move diversion points, then you have a whole new set of operations and so we tried to do it in a layered way of trying to figure out if we have got a reasonable range of facility approaches and then you have to overlay on that range of operating parameters and so think we are at a point where we are starting to put those

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things together and clearly that all has to come together at this point.

MR. HILDEBRAND: Yeah, but the impact of a 7,000 cfs isolated transfer facility depends a great deal on how it's operated.

EXECUTIVE DIRECTOR SNOW: Exactly and you have to analyze that.

MR. HILDEBRAND: And we haven't seen any analysis of -- how does the staff anticipate this would be operated when we are restricted either from water availability or for environmental reasons to exporting less than 7,000?

Are we going to take it all through the isolated facility and if not, how are we going to determine how much goes the other way and how are we going to assure that some goes the other way and things like that?

I just don't think we can intelligently address a thing like that without more information on the way it's to be operated.

And, again, I would hope that that can be presented to us in writing so we spend less time at the meeting talking about the proposal and more time talking about what we think of the proposal.

CHAIRMAN MADIGAN: Sunne.

MS. McPEAK: Obviously, what Alex is

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saying is absolutely true but here may be part of the difficulty we are having and also what's maybe part of the undercurrent that fueled letters we had earlier.

The operations of those facility are predicated on the restoration of the ecosystem and the amount of water that must flow at certain times in order to meet habitat restoration needs.

And those all have to get established in order to be able to answer Alex's question about operations. I mean, so you'd have to have a given in terms of the baseline for restoration, water flowing at what time during various kinds of years, normal, dry, wet, very wet.

That then gives you the sort of then a new set of overall parameters on the operation of any of those facilities when things can be filled, when the conveyance facilities are operated, et cetera.

And so we will have -- I mean, we have to come back to answer Alex's question, but what we are getting in these other pieces of correspondence is a undercurrent or suspicion that we are not going to make that full commitment upfront on what is needed for the restoration of the estuary.

EXECUTIVE DIRECTOR SNOW: Yeah, that's probably true and I guess there is a couple of answers to that.

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I think when we do an evaluation, particularly at the programmatic level we want to evaluate ranges of operating parameters so you want to operate a given system in a number of different ways to see what the result is.

The other problem, of course, we have is that we don't know everything now. And so a lot of this becomes adaptive management. We may all agree on a particular flow regime that we think is beneficial to the ecosystem and 20 years from now decide that it needs to be give than that.

So it's not as simple as everybody agreeing to an operating parameter. It's also important that we understand that there needs to be mechanisms to identify that, which is both an opportunity and a threat. I mean, that's the dilemma.

MS. McPEAK: Right.

STEIN BUER: May I say a little bit to respond specifically to Alex's question about operating rules.

Two specific things I want to say. Number one is I think that our role as CalFed staff is to facilitate the evaluation of operational concepts that are essentially developed by stakeholders because ultimately we have to reflect the range of concepts in the stakeholder community.

Secondly, to get the process started we did make specific operational assumptions for this first CalFed

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evaluation and to respond to the specific example that Alex raised, what we assumed to get the evaluation started for isolated conveyance was that the existing Delta standards were in place and would continue to be in place with the exception that isolated conveyance flow would be exempted from the export inflow ratio.

And the reason we felt that was a reasonable place to start is because that ratio designed to limit entrainment of organisms from south of Delta export facilities and, therefore, it seemed reasonable to us to exempt isolated conveyance from that standard. All other standards were in place.

Now, if it turns out that isolated conveyance is very effective in protecting Estuarian resources, ultimately there may be an opportunity for relaxing, for altering the flow standards or Water Quality Standards.

But that's the position we started from.

In addition, recognize that the export facilities that are currently are operated in the south Delta have kind of a dual role.

On the one hand they have been implicated in tremendous damage to the Estuarian resources. At the same time they are also exporting poor quality of water at times, which is in a sense beneficial to local water users and so we built into the analysis the capacity to -- a

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criterion where we can establish a minimum export requirement through the Delta either as a total volume per month, and, secondly, as a percent of total exports.

So we have built into the analysis some knobs that we can turn to fine-tune this as we get further input from stakeholders.

But ultimately we see our role not as dictating a solution but facilitating the process by feeding back to the stakeholder community the results of the suggestions we get, what are the implications we could suggest changing the standards so and so?

We can model that, display that and see how the community responds.

MR. YAEGER: Just to summarize, Alex, we are going to be presenting at the Workshop this range of operating criteria and parameters that we have developed in the last several months and any kind of operations in between are possible.

We are looking for input as to what other kinds of operational parameters we ought to look at so that's the way we are headed.

MR. HILDEBRAND: I am not clear why it goes to the Workshop before it comes to us, but laying that aside there is still the question that if you take some fallacy at best with an isolated facility in order to get

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better export water quality you are obviously going to degrade the water quality in the Delta. Now, you may be degrading it within the limits of the standards but those standards are limits. They are not -- and they are assumed that the averages are going to be better than that.

Furthermore, the standards are at locations that are predicated on the protection of the rest of the Delta because of the kinds of flows that exist, and if you change the flow regime those standards and the locations at which they apply may no longer be appropriate. So it isn't good enough to just say we are going to still meet the standards. In fact, I'm a little uncertain as to whether you really can.

And in your situation where you take 7,000 cfs through the isolated facility and there is some total water availability --

CHAIRMAN MADIGAN: That is an excellent question.

We are going to get to it after lunch.

Everybody has been extraordinarily patient here. Let's try to get back about ten minutes after one.

I understand that box lunches are in the back somewhere for BDAC members.

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(Whereupon the noon recess was taken at 12:40 p.m., after which the following proceedings were had at 1:28 p.m.:)

CHAIRMAN MADIGAN: All right. The hour of 1:27 has arrived, and it's time for us to get started.

We have a business I and interesting afternoon.

So we are going to pick up again with the component integration. Let's see if Marcia is here. She had a question just before lunch. I don't see her. When she gets back we can deal with that question.

All right. We are going to go on to the presentation on ecosystem restoration by Dick Daniel.

Dick.

MR. DANIEL: Thank you.

In your packet for those of you who didn't get it in the mail but rather picked it up today there is a fairly extensive and reasonably concise overview of the ecosystem restoration program plan and in the interest of time and opportunity for discussion I am not going to go over that in any great detail at all, but rather I'm going to talk to you about some of the foundational basis for the ecosystem restoration program plan, the concepts that we are using to put it together and how we think it will produce the necessary product.

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First of all, the ecosystem restoration plan has as its structure or foundation these implementation objectives.

The implementation objectives in our jargon are the what we want to accomplish. All of the implementation objectives have a statement in them that incorporates the phrase "in order to".

That represents what it is that we want to try and restore into the ecosystem and how we want it to produce.

Following down from those implementation objectives we have targets. The targets are the numerical objectives, they are the how much, how much in terms of acre feet, how much in terms of yards of gravel, how much in terms of acres of various habitat types.

The actions that we have included in the programmatic version of the ERP are at a programmatic level and the actions represent alternative ways in which one might be able to achieve the targets.

Overriding all of this structure associated with the implementation objectives, targets and programmatic actions is the concept of adaptive manage.

We recognize that we are not certain in some cases as to how much or exactly where.

We want to go forward with our actions and

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adaptive management offers us an opportunity to make changes in the course and structure of the program as we go along.

Adaptive management will help us stage implementation where we go out with pilot projects and evaluate the results, pursue that more or less accordingly. Monitoring, monitoring is a very important part of the program that we are developing.

We are proposing a very comprehensive monitoring program that will break a lot of new ground in the Central Valley in its monitoring of the ecosystem and will build on the existing programs associated with the inter-agency ecological program and the camp monitoring program that will soon become an part of the Central Valley Project Improvement Act.

We also have a suite of indicators. For each of our actions we are developing means to measure progress towards achieving the implementation objective. Those are the indicators of ecosystem health that we are putting together and they are very comprehensive.

Finally, I want to point that we intend to do some focus research. In the context of answering some of the important questions in the estuary that have not been dealt into, have not been resolved previously but need to be answered in order for us to progress.

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Again, and I don't want to overemphasize this but I want everyone to understand.

Adaptive management of the actions will disclose to us those efforts that need immediate and full implementation with their scientific consensus as to the need, scientific consensus as to the probable result.

There are also some actions that we are proposing that will require staged implementation, monitoring of the results, evaluation of the results and perhaps changes in the actions that are being proposed.

Then the third group is where there is some additional scientific uncertainty where we propose to do pilot or demonstration projects, again, evaluate the results, perhaps focus our research as a result of those pilot or demonstration projects.

Again, a little bit more foundation on the ecosystem restoration program plans strategy. This does represent a paradigm change.

In the past our focus has been on the species and the stressors or limiting factors associated with those species.

What we are proposing to do under this program is to focus on ecosystem processes, to take a look at the functions of the ecosystem and how it supports the species, how it builds and develops the habitats that support the

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species, all the while taking a look at the stressors in the system that impact these processes, functions, habitats and ultimately the species.

For ecosystem processes we are focusing stream flow, sediment supply, geomorphology and hydrology.

Let's go to the next screen.

One of the things that we want to emphasize is how stream flow modifies the system and provides the habitats and the variability in the system.

Stream flow can be looked at as a source of energy in our river system, the energy that forms the channels, the energy that transports materials, the energy that builds the habitats and in some cases destroys those habitats.

In addition to transporting the materials downstream stream flow also provides migratory pathways for the fishes that move up and down the stream.

This little bit of an icon type graphic here is there to illustrate the variability that we have in our hydrograph in the way in which we look at stream flow in the system and it's that variability that tends to be the driving force, provides the energy for the maintenance of the system.

I'm not sure how much utility this particular figure has.

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We put the Sacramento River there in red to emphasize the notion that it's the energy of the flow and the dissipation of that energy throughout the system that builds the habitats that maintain the structures and provides the variability in the system that has allowed the species that are dependent on it to evolve and to adapt, to have options throughout the season and throughout their life cycle.

Here is another example of an ecosystem process which is the meanderer of rivers, the physical structure of rivers as it's changed, as the energy applied to the stream flow of changes through gravity and through friction, how habitats are created, whether it be a riffle or a pool, a point bar where riparian vegetation might establish, all of which is associated with the transport of sediments from the mountainous upstream areas, eventually down through the river, to the Delta, to the Bay and ultimately to the ocean.

I guess that's about the color of a lot of our rivers this year.

What I want to show you here emphasizes the notion that undammed rivers, unleveed rivers, such as the Cosumnes flow through their flood plain, pick up sediment, transport that sediment downstream. That's the way in which nature built the original levees in the Delta.

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That's the way in which nature originally built the wetlands that were present in the Delta and wetland habitats around the Bay.

Geomorphology is the shape of the landscape and can be described in three dimensions.

It's the typical process whereby vegetation patterns are developed and maintained and established and rebuilt.

It's a function of the climate and slope of the Valley, it's the interaction of the river with its flood plains and it is the source of sediment supply as it changes over time driven by the energy associated with flow.

What we are depicting here is the concept that is embodied in the ERPP of establishing wherever feasible broad flood plains and distributaries along the rivers. This year's floods have brought that back into focus for all of us not only from an ecosystem standpoint but a public health and safety standpoint as well.

We are envisioning a fairly large flood plain not unlike the Yolo Bypass along the San Joaquin River such that the interaction of the river with its flood plain, the transport of sediment supply and the dispersion of energy can be reestablished at least in a reasonably natural way.

Hydrology, something that we are looking at in

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the Delta proper. Hydrology is the direction and velocity and duration of flow.

This is probably one of the most dramatic changes that has occurred in the Delta as a result of man's intervention, the notorious diverse flow that has occurred in the past and continues to occur occasionally in the Delta.

It disrupts the migratory cues or species that are dependent on the Delta, utilize -- it disrupts the transport and deposition of sediments, it changes in the hydraulic regime have had a lot to do with the disruption of ecological processes in the Delta.

This depicts sort of an ideal situation where virtually all of the water is flowing downstream. You recognize it's affected by tides in the Delta but one of the goals of the ecosystem restoration program plan is to do what we can to re-establish the historical unimpeded process of flow in the Delta and the re-establishment of the migratory cues, in particular that are used by the fishes that move up through the Delta and then back down stream.

Ecosystem processes are the next level of detail.

They include the stream meander corridors, gravel recruitment and maintenance, the maintenance of

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appropriate temperatures, any interaction of floodplains and floodplain processes with the river systems.

This is just a quick diagram of how meandering rivers work.

Just as an aside, I found out late yesterday afternoon that I can actually put photographs into this machine and that's the way I'd like to do it in the future.

Stream meander corridors provide for part of the diversity of both the aquatic and terrestrial habitat. They changeover time. They provide options for fish and wildlife in terms of seeking out habitats and utilizing them.

Gravel recruitment and maintenance, again, this is part of that sediment transport function and process that has been disrupted in the system. We recognize that in many cases it's going to be very difficult for us to re-establish the natural input of mineral based materials into the system.

Let's see what this next one is like.

Temperature. Temperature is another concern. There are mechanical ways in which we can recover some of the temperature conditions in the system.

This pipe that you see here is really a 90 million dollar temperature control device. I wasn't able to draw that. I want to get across the notion that

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although we continually talk about natural processes, natural functions, natural temperature regimes, we recognize that in many cases we are going to have to intervene and provide mechanical means to restore our particular objectives on a given stream.

What we are going to try and do on the Sacramento River with the temperature control device that's under construction is try and maintain temperatures that weren't naturally occurring in that stretch of the river immediately below Keswick Dam, but rather we are trying to produce the kind of habitat that was once accessible above the dam for the fishes that are dependent on over summer cool temperatures that are not naturally occurring in the Central Valley.

Another way that we can deal with temperature is through shade.

Some questions have come up about temperature in the Delta and in particular in our river systems.

Frankly, our river systems warm naturally as a result of their passage through the Central Valley very quickly.

Temperatures that might be released as low as say 50 degrees from Keswick Dam up on the Sacramento River reach ambient temperature very shortly after they move downstream because of the hot summers and high warming.

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What's absent in our system now is the shaded riverine habitat both along the rivers and in the Delta. That shade provides refugia for fish moving upstream and downstream and allows them at least temporary relief from elevated temperatures.

So that's one of the ways in which we are going to try and re-establish that function of the river system.

In the Delta we want to get across the idea that we think it will be relatively easy to put nodes or niches of habitat throughout the Delta on corners of islands, a mosaic of restored riparian habitat that will provide temperature refugia for species that reside in the Delta over the summer or migrate through the late spring.

Floodplains and flood processes, what we want to try and recreate through the re-establishment of this connection with the river are nutrients, nutrient input to the system from terrestrial sources from the plants that grow along the floodplains. Floodplains provide varied substitute and habitat, not only in terms of their presence in seasonal flooding but they also are a source of materials such as sediment that move into the system and build and rebuild throughout the system.

Also floodplains in the process of utilizing floodplains by the river has a tendency to attenuate flow, to prolong the duration of flow events longer into the

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spring or into the early summer, a natural process whereby nature utilizes the rainfall and the snowfall that occurs in the wintertime and spreads that out throughout the spring on into the summer and provides vital caring capacity for the species that are dependent on them.

Is that the last one?

I am going to stop it there and I know we wanted to allow a considerable amount of time for exchange in terms of questions and answers and I think Stein is going to join me.

And hopefully through the process of this discussion we can get across some of the ideas of component integration that we've been working on in particular relative to storage and conveyance and ecosystem.

Mr. Chairman.

CHAIRMAN MADIGAN: Thank you, Dick, and Stein.

Marcia, first question and then Alex.

MS. BROCKBANK: I notice I think it was during Steve Yeager's presentation that there was a nice green line that went around the solution area and it crossed the Carquinez Strait and stopped right there.

As far as impact analysis are you going to look at all at impacts to San Francisco Bay from the conveyance and storage solutions?

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STEIN BUER: In essence from the tools that we have to work with the key connection between -- can you hear me okay?

THE VIDEOGRAPHER: Mute button.

STEIN BUER: The main connection with my tools I can make is in relationship to hydrology, how much outflow results from various operating rules facilities. In terms of the direct impacts and benefits with the ecological processes and habitats I think we'll rely on the ERPP elements to address those particular components.

MR. DANIEL: A little bit more specific response, one of the important functions of the stream flow in the Bay is the establish a fresh water lands on a fairly periodic basis that starts a lot of the hydrodynamic processes that go on in the Bay. That certainly was accelerated this year.

Stein showed you a little bit of a cartoon figure where he had the hydrograph and showed how for water storage purposes they would evaluate the feasibility of skimming the peaks off of some of those hydrographs.

In working with my team we've suggested that what we look at is a skimming process whereby the first peak of a particular magnitude is allowed to move downstream uninterrupted, unimpaired, undiverted, if you will.

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We think, and this will take considerable modeling and more knowledge of the system than we have today, that that's a way to safeguard that particular process.

In terms of component integration it's also true that the transport of a lot of contaminants, water quality parameters of concern, tend to enter the system with that first big peak flow of the year. That's when we get the urban runoff, that's when we get wintertime ag runoff and we are evaluating some of the benefits for water quality that would be associated with not exporting that but allowing that first peak to move downstream.

So there are a lot of interconnections between all of this and that's one of the ways that we are looking at flow in San Francisco Bay.

CHAIRMAN MADIGAN: Alex -- I'm sorry, go ahead, Stein.

STEIN BUER: I just have one more comment, too, that there has been questions raised about the range of parameters that we might be looking at so we capture the interests of the various stakeholders and Dick just described one end of the range wherein we take whatever efforts necessary to protect the fluvial processes in the river to protect those resources. In our evaluations we look at both ends of that range.

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The other extreme is to simply adhere to existing standards for protecting navigation flows and, of course, all the downstream beneficial uses and ignore the pulse.

And so that has very, very strong implications in terms of the amount of water you could divert from the system.

On the one hand you are very protective of the river processes and the opportunities for diversions of storage are very limited.

At the other extreme you say we'll pump right up to pump capacity regardless of whether these fluvial processes have been respected or not.

When we display that information to you, the stakeholders, and let you work that out. So you can see what size facilities might work with one set of assumptions and what size would work with another set.

CHAIRMAN MADIGAN: Alex and then Bob.

MR. HILDEBRAND: I'd like to make a comment and then ask a question that's unrelated to the comment.

In regard to the San Joaquin River system I think there is a tendency to assume that the same kind of things that can be done in the Sacramento system can be applied in the San Joaquin system and that is not the case

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because the terrain is different and the kinds of material in the riverbed are different and so forth.

The San Joaquin River management plan does include a proposal in the southern portion of the Valley four reaches of the river to restore in a controlled manner the overflow on the existing wetlands, of which there are quite a bit available, and which could absorb more than a hundred thousand acre feet of overflow under conditions that have substantial river flow and I think that should be done.

But the real choke in flow in the river which we have to deal with when we have a flood as we did this year is that as you get down toward the Delta and the terrain there does not lend itself very well to a new bypass as distinguished from many of the ones that we have, which principally is Paradise Cut bypass, and we have a big problem already in that the erosion upstream has resulted in sedimentation and degradation of the riverbed so that the bottom of the river has been raised for about eight feet in the last few decades over many miles of reach.

And we not only need that material to fix the levees so they don't break when we get the kind of floods we recently had as the levees have an inadequate cross-section, but we also need to get it out to restore the flow capacity of the channel to what it was when the

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various existing flood systems were built.
And what's happening is that that is moving further and further downstream, that sedimentation load getting into the South Delta causing big problems there, and if you start restoring a meander in the river you just exacerbate that and you also lose the habitat diversity in the floodway.
Because we had high berms. Most places the levees are way apart already and there were high berms there that had nice oak trees and cottonwoods and so forth and then you had the river channel proper and before it got full of sediment you had a more cooler and more confined flow there in the summertime, which was better for the fishery.
Now the river wanders around the low flow back and forth across the sediment, gets hot. It's not very good for the fishery. It's hard to maintain the diversion facilities and so forth.
So what we need in that reach in my judgment is to start maintaining the channel, as much of it is maintained in the Sacramento system but there is no maintenance in the Sacramento system, and what's happening is that as the sediment builds up in the channel it causes the river to snake more and cut out all these beautiful high berms with the habitat trees on them and spoils the

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diversity of habitat, makes the floodway flatter and just a bunch of brush.
And so I don't think trying to re-create a meandering down there is a feasible thing at this time.
And my question is quite a different subject.
Going back to the question that we raised in the past, it still concerns me, and, that is, that there seems to be an opinion at least by some parties that we should be guaranteeing the ecosystem ends rather than the means here.
That's nice to talk about, but we don't know whether the exotic species are going to make it feasible to achieve the ends, and I don't think we should be throwing a whole lot of money and water on something that isn't going to work no matter how desirable it would be if it did work.
And your presentation doesn't address this question of if trying to guarantee ends rather than means, how do we get around the uncertainty created by the exotic species?
MR. DANIEL: There are a couple of ways of responding to that.
We know that there are a number of invasive species in the system that we can't eradicate.
We know that the system is depressed in terms of its ability to support fish life and wildlife, and the

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basis of our project is to restore that caring capacity in order to provide for all of the different needs of the species.
We don't know to what extent some of the existing or potential future exotic species will impair upon that.
We do know that in a lot of cases those species were able to get a foothold in the Delta system because the system was perturbed, because of the degree of disturbance, the illness or weakness of the system they were able to get established.
Our program for management of invasive species includes additional enforcement of existing regulations, additional monitoring, some eradication programs or management programs with those species that are manageable, but that will always been an area of uncertainty.
We are proposing some research to try and find out better what the effects of the established invasive species are.
We are finding some new results.
The Asian clam, which is a notorious invasive species that may have a potential to thoroughly disrupt the system has suddenly become a favored food supply of sturgeon.
Maybe if we do a good job of recovering the

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sturgeon population that ecological balance will be established, I don't know.
The sturgeon used to eat the clams that were replaced by the Asian clams. A healthy sturgeon population might bring that into balance. I just throw that out as a possible example.
But it's an unanswerable question. I don't know.
CHAIRMAN MADIGAN: So the clam is not at the top of the food chain after all, huh?
MR. HILDEBRAND: What will guarantee the end, though?
If I have an objective of a six ton corn crop and I have a weed I don't know how to control I'm not going to get a six ton corn crop and there is no use to say I'm going to guarantee a six ton corn crop and I think we are up against a similar thing in the Delta.
But whatever we'd like to have it's probably diminished by the existence of the exotic species and, therefore, we can't guarantee the end. We can only guarantee what we'll could to try to achieve the end.
MR. DANIEL: What we are trying to propose, and it's this paradigmship is that restoration of a healthy ecosystem is represent by the restoration of the ecosystem processes and functions, restoration of the

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habitats and we are not trying to predict how many fish, how many birds, how many ducks, whatever, will be able to move in and utilize that system.

We've had discussions in this forum before about differences of opinion as to whether or not the ecosystem goals ought to be characterized in terms of numbers of fish or the restoration of ecosystem processes or acres of habitat.

Frankly, we have adopted all of those and we think the greatest degree of uncertainty surrounds the notion of how many fish will be produced.

We are trying to re-establish a healthy balance between all of the demands on the system.

MR. HILDEBRAND: But are we or aren't we saying that we set up the means toward this end and then if the ends aren't met we are just going to readjust the means or are we going to say, well, maybe we can't achieve the ends?

MR. DANIEL: It's quite possible that some of the ends, as you describe them on down the road will not be achieved, simply because the system can't produce that many fish anymore.

CHAIRMAN MADIGAN: Bob and Ray.

I couldn't resist it. I also have Stu and Roberta, it didn't make any -- you know, nearly as good

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theater.

MR. RAAB: The thought just occurred to me that we could really use Thomas Aquanus (phonetic) here at BDAC to answer the whole matter of cause and effect and ends and means. It's really tricky one.

This is about unallocated flows, which was a term that I was listening to this morning several times, and it meant water that wasn't needed for water supply or environmental flows and nobody knows how much water San Francisco Bay needs.

The historical flow has been reduced by more than 50 percent on average, I think, in the last, let's say, ten years.

That may be why we have a fair amount of a lot of environmental problems in the San Francisco Bay and so I'm wondering how absent some kind of standard minimum flow for San Francisco Bay you consume the amount of unallocated -- if there is any unallocated water, and if there is going to be any examination of this need in San Francisco Bay as we go on into Phase III.

STEIN BUER: Well, as I tried to indicate during my initial presentation, I tried to pick a term that as neutral by unallocated.

I certainly didn't mean to imply that it was not needed by the ecosystem.

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I think it is the judgment that we at CalFed staff should not be the ones ultimately to make. I see our role is being able to facilitate the decision process by displaying the results of modeling shifts in the outflows both in timing and in terms of magnitude.

I am not equipped to say that any reduction or increase in outflow thought Bay is not damaging, but certainly we are very receptive to any kind of technical input from the stakeholders that will guide us in formulating these rules and I'd be very pleased to model with the tools we have some rules you might propose with whatever scientific basis you might have to indicate that we need to set new Bay inflow standards.

And we can run up the consequences in terms of costs and facilities and what the results are.

I am not making any judgments as to whether shifting these flows is good or bad, but I can display the consequences for the stakeholder community, and I hope thereby providing specific technical information to advance the progress of the negotiations, which ultimately that's what this process is.

CHAIRMAN MADIGAN: Ray.

MR. REMY: It's probably a question that doesn't have a good answer either, but it's certainly impressive when you when you see all of the displays and

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work in terms of modeling and the impact of various flow levels and such.

You can get kind of a handle if you put X amount of dollars in an ecosystem preservation. And it will have at least some degree of impact on an X number of fish without trying to quantify the number.

I'm also struck by the fact that we are told that in April and May we will begin to be either agreeing to or making choices between alternatives -- three separate alternatives and 16 variations and I'm trying to wrestle with how I would input on that and what impact it will have on the folks in Southern California, who I represent.

And the question that comes to my mind is a question that the mayor of, I believe, Bellflower asked me and that is, when you look at these alternatives what will be the impact on a lower middle income family of four in my community in terms of the availability of water and the cost of water as we evaluate these three alternatives.

I know that's a cost factor that Zach is working on, but we are going to have to start making choices or at least concurring in choices in April and May and that consideration multiplied by the millions of people in Southern California is important as we make choices between ecosystem, levee protection and the quality of life.

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What guidance can you give me that I can give the mayor of Bellflower in answering that question?

STEIN BUER: I guess if I had had more time in my initial presentation I would have added an economic modeling box to that -- to the modeling sequence that I showed there. We have also initiated the process of evaluating the economic impacts of shortages as well as the value of water that could be generated to new facilities and operating criteria that go along with that.

What we intend to do is to provide that information by coupling the economic modeling that indicates the cost of shortages to specific areas of the State, along with the amount of quantities of water delivered at various times.

So there is a coupling between the system water modeling and the economic impacts or particular availability that we intend to pursue.

What I don't want to do, though, is raise your expectations to the point that next week we'll have all of these answers.

I wanted to indicate it's a very, very complex series of interactions between the physical facilities and the hydrology and the assumptions and the economics that come out of it, but I expect that we'll be making a series of passes through this evaluation.

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I showed on my chart a straight through left to right that, in fact, we'd be combing through that a number of times, hopefully with each cycle, getting more refined input from the stakeholder community as we narrow down the range of viable options.

But to summarize my response, the economic importance of water is very much on our minds.

And we are incorporating that into our modeling of the alternatives.

CHAIRMAN MADIGAN: Lester.

EXECUTIVE DIRECTOR SNOW: I think what I would add, in that specific situation where you're really talking about water supply impacts in a specific community and then in the example you raised, a specific family.

As Stein indicated, we are going to be able to get a handle on it at a programmatic level the water supply issues, you know, what can come out of this in terms of water supply, in terms of yield, potentially increased yield as well as access to transfers, changes in water quality that might have some economic benefit and then also attach some general cost, but when it really comes down to the family of four in Bellflower the only answer to that question can come from the local water supply planning, the integrated resources plan, how much is the local provider putting into conservation reclamation, do they have their

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own storage program, do they have a mixed supply from the Colorado River as well as Northern California.

So we can only provide one piece of an input and the ultimate answer really is more aggressive integrated resources planning at the local levels and that's kind of a back drop to all of us for all of the water users.

There's very few users out there that can expect CalFed and the solution for the Bay-Delta problems to solve their water problems. They have all kinds of other activities they'll have to undertake and that's the difficulty for local officials, is taking the process going on in Sacramento and dropping it into the context of everything else that's going on locally.

We can try to be as accurate as we can about our costs and what may be available from the system but then they'll have to integrate it into their own planning processes.

CHAIRMAN MADIGAN: Stu.

MR. PYLE: Yes.

My question or concern goes to something I brought up before and it has to do with the implementation of the ecosystem restoration plan as discussed there. There is a section in there on restoration, which includes the adaptive management approach to this, but I still feel

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that it falls short or stops short, and you might say this is a level of detail question at this time, but I think it still falls short of making any reference to the need for an administrative and management structure to carry this program out over a long period of years, recognizing everybody knows it's going to take year after year to keep these programs going to get this ecosystem program moving along and addresses the concerns that Alex brought up, how do you know that you are going to be able to achieve what you set out to do without measuring it and looking at it and I think it also has to do with the concern that the Environmental Water Caucus put forth in their February letter in their section A where they are more concerned about establishing the goals -- the standards for the goals to be achieved through the ecosystem restoration program, and it seems to me that by setting up the administrative structure with the responsibilities to continue to review and carry out these programs with the financial structure to do that, that you will put the continual review of those goals and their achievement as you move toward them in the hands of a body that will be able to deal with this in a dynamic ongoing method.

And it seems to me that if we can spell out that administrative organizational program to a larger degree, that that will be giving some degree of assurance

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that these plans are going to be implemented and carried out and well managed over a long period of time.

So when I look at the implementation section there, I still think that it falls short of addressing this whole aspect.

CHAIRMAN MADIGAN: Lester.

EXECUTIVE DIRECTOR SNOW: Yeah. I think that's a timely question and you actually did use the magic word assurance in there and, in fact, to some extent the very issue that you are raising is moving forward in the assurance process.

I mean as a general sense it applies to all of the components.

Once you've figured out what you want to do or at least you have a healthy debate going on on what you want to do, then the next question becomes who is going to do it? And that's a discussion that's underway in assurances.

And I guess we've also envisioned that once the ecosystem work group has the debate contained on what needs to be done then that group actually transitioned to start talking about implementation and I agree, by the time we have a preferred final alternative it's not enough to simply say what needs to be done.

You have to describe who is going to do it and

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how they are going to execute their duties. And I can't imagine any stakeholder group simply signing off on a list of actions without the who, what, when and where.

CHAIRMAN MADIGAN: Roberta.

MS. BORGONOVO: I wanted to go back to several points that were made before.

My list keeps growing.

But just to go back to the economic modeling box, in the San Francisco Estuary Project when they really had a consensus process going, there was a lot of work done that I don't think CalFed has ignored. I see it in a lot of restoration plans. I see it in the work that was done establishing the X two standard, but part of the concern is that with all of those actions there are a lot of actions that can directly help this process and so that was one of the concerns that I expressed this morning, will those actions actually be incorporated right into the plans for going forward.

But the second issue was the economic modeling box and again in all of those estuary projects across the country they are looking at economic values for ecosystems and so I'm asking if the economic modeling box will take into account the values of not maintaining an ecosystem, have not maintaining the fresh water flows that are needed for that and the consequences to the ecosystem and then all

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of the surrounding industries that are tied into that.

So, again, what I would hope is that all that very good work that was done under the EPA model and is now under the State Water Resources Control Board gets integrated back into this program because they are directly affected.

MR. DANIEL: My quick answer to that is the results of that kind of evaluation is the reason why we are here.

It is too costly, it is too disruptive for all of the beneficial uses in the system to allow the ecosystem to continue to degrade so we have CalFed in the process and BDAC, the advisors to try and resolve that problem.

We didn't really have to get into an economic analysis to come to the conclusion that we needed to resolve the problems. It was self-evident.

MR. YAEGER: Let me address your concern a little more specifically.

The actions that came out of the Estuary Project analysis were folded into our initial inventory of actions, at least those that pertained directly to the estuary and the Bay-Delta estuary particularly so that all of those actions are in the mix. They are part of the actions that we are choosing from in putting these plans together so I think we've done a pretty good job of melding

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in the work done by the Estuary Project.

MS. BORGONOVO: Part of it goes to -- I can see the modeling problem when you look at the flows, but what you're really saying is that your going to look at the cost of the water and I just want the cost of not maintaining the flows in there when you put together this economic balance and that has come out in the finance work group and we've struggled with that and we just haven't gotten a handle on it, but the whole way in which you look at the benefits and figure them into the cost benefit analysis, I think, will be very important when we begin to look at the alternatives.

So that's just a concern that many of us have expressed.

CHAIRMAN MADIGAN: Thank you.

The staff has asked several questions of us today in terms of helping to shape their thought processes.

They included do the configurations of storage and conveyance facilities as presented con adequately represent the range of options for impact analysis?

You have already heard, for example, a question as to whether or not a smaller isolated facility component is being looked at. You have mentioned other things that will help them.

Are there, in fact, other issues that would

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tend to expand the range of options that the staff should be looking at or, in fact, is what you have received and seen today a reasonable spread for purposes of further evaluation?

That's one question.

The next question is what are BDAC's concerns relative to the approach being used to develop the ecosystem restoration program plan.

The third one is what assurance issues are raised by these program components.

So hopefully when we are done with this and you have asked the questions or made the points that you wish to ask or make, the staff will have reasonable guidance that they can draw from your remarks to move forward.

So before we leave this actually I want to make sure that from your standpoint we have answered those questions.

All right. Then let me call on Mr. Earl Nelson from WAPA, the Western Area Power Administration, who has a public comment.

And as he's coming forward let me remind anybody else in the audience who wishes to be heard that this is a good time, that we invite your comment. We'd ask you to fill out a card so that we, you know, know how to call you after midnight.

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Please feel free.

EARL NELSON: For the record I am Earl Nelson with the Sierra Nevada Region of Western Area Power Administration.

I've been straining my ears and so far I haven't heard the word power mentioned at all today and so I'm basically here to raise that issue on your radar screen.

Power is important because it provides the means to move the water around. It provides a means to provide water to wildlife refuges, it funds the CVP restoration fund and is a revenue generator in general and the decisions that you will be making here having to do with the operations of the Delta water system and the timing of how water might be diverted and stored can affect how much power can be produced and so it's important to keep in mind that all other things being equal power is an important economic consideration and we just want to make sure that it doesn't get lost in the shuffle, that it's not an afterthought but that it's considered from the very beginning.

Thank you.

CHAIRMAN MADIGAN: Thank you, sir.

Your comments are appropriate and well timed. We appreciate your participation today.

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Are there other members of the audience who wish to be heard on this item?

All right. Members of the BDAC?

Mr. Snow, do you have any last questions that you want to -- I'm sorry, Ray. Yes, sir.

MR. REMY: I'm not sure whether this is the appropriate spot but since we are dealing with ecosystem restoration there have been questions raised about the ecosystem round-table and the subcommittee of this group that that forms and I'm probably either absent or slow because I don't remember who is on it and I don't remember particularly when it was formed and I'm not even quite clear as to the mission of that other than the memo that we've got, but it would be helpful to me to know, number one, who is on it, and, number two, what is the reporting relationship between the round-table and the work of BDAC as to how they proceed. I think that it's important that everybody know and have the same ground rules. I think there has been questions raised as to how the round-table relates to our work force, our work task force in the ecosystem. So it seems to me a clarification of all those points would be useful.

CHAIRMAN MADIGAN: Thank you.

Since item number five on the Agenda is the restoration coordination activities update, Steve, maybe

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what we'll do is -- he already sat down, anyway -- he figured this was coming -- maybe we'll take that item first in the Phase II technical evaluation.

Lester, do you want to start off by responding to Ray's comment?

EXECUTIVE DIRECTOR SNOW: Yeah.

Perhaps Cindy if she is available could make her way to the podium to kind of start the presentation.

But let me provide a little bit of background. Basically when the ecosystem round-table was appointed it was a recognition that we have an interim opportunity here to begin implementation of some actual projects to get the ecosystem activities started since they are so critical and many of them have quite a lead time and the funding has been available and so the thought was that we needed to have a group that is not laboring over the long-term solution but, in fact, has a specific mission of providing public advice into CalFed for the purpose of identifying projects and getting projects implemented and that is the ecosystem round-table which has been pointed as a subcommittee of BDAC and, therefore, is under the charter of BDAC.

That is a stakeholder group with 18 members that provides advice to CalFed, and we have regular reports that will come to BDAC as we move forward to try to come up

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with a process and then eventually a funding list that can be utilized for category three and then Congress willing -- it will be utilized to spend monies that have been included in the present budget request for FY98 to begin implementation of ecosystem restoration activities.

With that general overview perhaps Cindy could go ahead and describe the ecosystem restoration activities.

CHAIRMAN MADIGAN: Good afternoon.

CINDY DARLING: I'm trying to figure out how to -- I don't have a suit jacket so I can't pin anything on to myself, and I was assuming that you guys were going to keep talking and I wasn't going to get on today so this is going to be a little rough. I've been talking outside the room.

As Lester said, the ecosystem round-table is a subcommittee that's been formed to help us with two primary task, getting money out the door for the 60 million Prop 204 stakeholder contributions to category three in the Federal funding and also to help us provide coordination and integration with other funding sources, particularly CVPIA, but also some of the other pots of money out of Prop 204 including the watershed management money and some of the 319 grants from EPA, other funding sources like that that can work together with the funding sources that we have in our direct control.

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The round-table has been meeting since, I believe, November or December time frame, and what we have accomplished so far is we've worked out a planning process, which was summarized in a letter to Doug Wheeler recently, which all of you should have got a copy of and we are into the planning cycle for this year with the goal of getting money out the door for projects in the July, August time frame.

We are working to coordinate that with CVPIA.

This is not the best CalFed graphic but it goes through the steps in the planning cycle that the round-table members have been discussing.

The first step would be to identify your priorities and then using a technical team process that includes State, Federal stakeholder technical representatives identify what are the factors that are preventing you from getting to those priorities and what kind of actions would you look to implement to address those priorities.

The decision would -- once you've identified what types of actions you wanted to implement then we'd go through a process of soliciting projects and proposals and come up with a final list of projects and proposals that would go through getting round-table stakeholder input, get presented back here (indicating) and then ultimately CalFed would make the decision on funding projects.

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And then, of course, once you've decided to fund it you should actually implement it and then that starts the adaptive management cycle.

As you implement it there will be monitoring and feedback on what's working and what's not working and we can then go through and revise priorities, identify additional actions based on the experience we are gaining and keep going through the cycle (indicating).

The top part of this graphic has the begin the planning cycle, get to a CalFed decision in the July-August time frame and then start it over again and try to get money out the door twice a year until the round-table is replaced by a long-term structure that's set up as part of the long-term program.

Let's see. For this year the round-table has fairly well completed this first step, which is identify what their near term priorities are going to be, and those have already gone to technical team meetings. We are in the middle of that right now.

This gives you an idea.

There was two different types of priorities identified this year.

The first was habitat types, and this was based on habitats that are in decline, habitats where we want to

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do kind of the pilot level implementation to find out better what benefits we are getting out of them and how best to implement them.

It includes tidal fresh water, seasonal floodplain and seasonal managed wetlands, shaded riverine, saline tidal habitat, mid-channel islands in the Delta and then a category of in-stream habitat, in-stream aquatic habitat.

And this graphic gives you an idea of the distribution of where you are likely to get projects developed to address those habitat types. We are looking at north Bay, Delta, Sacramento, the tributaries, and San Joaquin and its tributaries.

So that's the habitat portion of the priorities for this year.

MR. HILDEBRAND: What do the colors mean?

CINDY DARLING: The colors mean that the graphic artist didn't have time to go back in and change them.

He did this and I said "Well, they really should all be orange because I know somebody is going to want to know what the difference between is colors is", and he was looking very harried and told me he didn't have time to do it.

The blue means that there is not going to be

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saline emergent habitat up on the Sacramento and San Joaquin rivers but anywhere these colors mean that there is a type of action that you would expect for that habitat type in that geographic area.

And then the other priority that we identified is lessening the most immediate conflicts and those are the conflicts right now associated with -- primarily with species that are in serious decline or close to being listed or ones that are basically causing the problems that have brought us all here together.

We went through and identified San Joaquin fall run snook salmon, winter run, spring run, Delta smelt, splittail, steelhead, green sturgeon and then there probably should be a double line here, they had a category that was -- and also striped bass and migratory birds were two other issues that they felt they wanted to look at from a species perspective and here again this gives you an idea of what the distribution is.

There is a couple question marks about some of the species; for example, there actually should be a question mark for steelhead on the San Joaquin because the technical jury is still out on some of those questions about species occurrences in some of the locations and green sturgeon is one that very little history is known about their life history at this point.

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One of the questions you might have looking at this is, you know, a lot of what Dick has talked about is ecosystem processes and ecosystem functions and restoring those and why don't we have a priority process or function, and what we are doing is asking the technical teams that are meeting right now to help us identify what the priority process and functions are that would address these species and habitat needs because obviously a policy group of 18 well respected people can't tell you whether which process is most important if you are looking to lessen conflicts for San Joaquin fall run. We need to get the technical people to get that input.

So that's where we are right now in the planning cycle and what the round-table has accomplished to date.

The other task that's before them is coordination with other funding sources.

And this is a graphic -- Kate Hansel (phonetic), who also works with me on the program should actually probably be up here for this. This is her part of the program.

And what we are looking at is doing the coordination in a sequential fashion starting out with the money that we have most direct control over, which, of course, the category three funds, Prop 204, stakeholder and

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Federal and as we expand coordination efforts focus first on the most clearly related funding sources and then also begin working with the other funding sources as we get these two parts of the puzzle under control.

And there's a number of ways we can coordinate, common requests for proposals, things like that. So we are working with this part of the program, also.

And I forget, Lester, was that everything that I was supposed to say about this?

CHAIRMAN MADIGAN: Questions.

Alex, Roberta.

MR. HILDEBRAND: Two questions.

First, it still isn't clear to me how the round-table relates to Mary's committee.

And secondly, whether the recommendations of the round-table ever get subjected to the solution principles.

CHAIRMAN MADIGAN: Mary.

MS. SELKIRK: I can speak to the first part of that question.

The purpose of the BDAC ecosystem restoration work group is to provide review, comment, advice to the CalFed program on the long-term restoration strategy that will underlie the entire ecosystem restoration plan.

How the round-table is distinguished from that

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process, as I understand it, is that its purpose -- its express purpose is to prioritize actions to spend certain pots of money fiscal year by fiscal year that are integrated into the long-term plan but are not the totality of the plan.

It's a little funny because the restoration plan isn't even on the street yet.

So there is a bit of backwards and forwards here.

But the way that I see the two entities distinguishing themselves really has to do with on the ground six to 12 to 18th month -- 18-month recommendations about specific program actions, which is the job of the round-table as opposed to the long-term vision --

CHAIRMAN MADIGAN: But what you are trying to do is jump start the process a little bit in terms of getting some of that money out on the street by making sure there is something that approximates consensus around the fact that this would be a part of the longer-term program.

MS. SELKIRK: Right.

CHAIRMAN MADIGAN: Okay.

Cindy, did you want to add to that?

MR. HILDEBRAND: And my second question --

MS. MCPEAK: It has to be by definition --

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CHAIRMAN MADIGAN: Well, let me make sure you've got your first question answered thoroughly.

CINDY DARLING: I think Mary laid it out pretty clearly.

Mary's work group is looking at the big vision and how do we get there.

The ecosystem round-table is looking at what actions can we take that are an advance of the long-term alternative coming on board that there is consensus around that move us into the overall program.

CHAIRMAN MADIGAN: And your second question was?

MR. HILDEBRAND: Why the round-table recommendations get subjected to the solution principles.

EXECUTIVE DIRECTOR SNOW: I guess the basic answer to your question is that there is a general application of the solution principles but not the kind of really specific application we will expect against an entire alternative.

One of the things that is important to keep in mind on a large part of this early implementation it's a pre-existing obligation.

It's not a choice of whether it happens. You can choose that it be done totally uncoordinated with the CalFed Program but category three, for example, comes from

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an obligation that was entered into December 15th, 1994 and those programs must go forward if the accord is to be honored.

So what we have attempted to do is bring those kinds of obligations, responsibilities into the context of CalFed so to the maximum extent possible they are consistent with the overall CalFed Program and therefore consistent with solution principles.

But the rigor with which we would apply solution principles to a complete alternative is quite different than the rigor we would subject to ten acres of habitat restoration in the northern Delta.

MR. HILDEBRAND: But, as I recall it, it was stated in Prop 304 or whatever it was that the ecosystem monies would be spent in accordance with a -- what was in the programmatic EIS from the CalFed.

And so to the extent that you are using that money presumably it's the CalFed endorsement of it and, therefore, it would seem to me it would have to have an examination of solution principles.

And I believe something else that I read indicated that those things go forward on the basis of a recommendation from the round-table, it doesn't actually go through the rest of the BDAC process. So the two seem to me to be rather intertwined in an ambiguous manner that

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provides opportunities for an end run.

With all due respect to Cindy, I think Cindy's fine. There is nothing personal about it.

EXECUTIVE DIRECTOR SNOW: Maybe I could address the process issue.

What we have done is inserted the CalFed process into the middle of what would be an otherwise more direct funding process where literally -- let's assume for the moment that the FY98 Federal budget includes at least some portion of the 143 million dollars that have been requested in the president's budget.

The way that the responsibilities work is that with our ecosystem round-table process we would prepare a program and priority list that on the State side the recommendations would flow to the resources secretary for the State of California and he is the individual who would release the funds.

On the Federal side the way the appropriation language is structured those recommendations would flow through CalFed to the Secretary of Interior and he is the one authorized to release those funds.

So we have set up an advisory process to provide the maximum coordination with the long-term effort.

In this particular first funding cycle that is more challenging because we do not have the ERPP out on the

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street.

In the second funding cycle we can do more coordination because there will be a draft available.

In the third funding cycle we'll actually have a preferred alternative out and have received comment and we can have a higher level of coordination on that.

The way the process must work is the ecosystem round-table works through the effort with Cindy and staff and at the point where we have a specific piece of advice to move forward it will be shared with the Bay-Delta Advisory Council and move from the Council to CalFed.

CalFed will make then -- and when I say CalFed, I mean the currently ten State and Federal agencies -- would then make the determination and on the State side forward it to the resources secretary and on the Federal side submit it to the Secretary of Interior.

CHAIRMAN MADIGAN: Roberta.

MS. BORGONOVO: I just wanted to go back to the question I think Ray asked which I think was just curiosity over who is on the advisory committee and I did go to the last meeting. I've only gone to one and it was standing room only so they are open and they're public. But I thought you were asking who are those 18 members.

MR. REMY: That was one part, yes.

EXECUTIVE DIRECTOR SNOW: Cindy, do you

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have the list with you?
CINDY DARLING: I don't know if I have the list. I know there are several of them here in the room today. I can describe the general composition. We can get the list out to BDAC.
There is basically four representatives from the ag water end of the world, four urban representatives, four environmental representatives, a power representative, waterfowl, an RCRC representative and then a commercial and recreational fishing representative, and I know there is somebody I always forget but it adds up to -- if that adds up to 18 that's everybody and there are some of the members of the round-table here today, I think.
CHAIRMAN MADIGAN: Sunne.
MS. McPEAK: The question that was asked about when do the solution principles get applied it actually never occurred to me that anybody in their right mind would sit on the round-table and not apply them implicitly.
We certainly went through a whole lot of nose bleed to get 204 on the ballot if that's not what it was about.
But to make it explicit, to make it obvious, it should be a pretty simple process, which is to simply ask, refer, request, that as they are reviewing the

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process -- the projects that we submit those lists of the solution principles and that they send those back to us with an affirmation or a certification that they have provided the principles.
MR. HILDEBRAND: I so request.
MS. McPEAK: I so order. I mean, I think let's just do it.
CHAIRMAN MADIGAN: Lester, do you think that you at the round-table might easily respond to that request based on the notion that anybody in their right mind on that organization ought to be doing that, anyway?
EXECUTIVE DIRECTOR SNOW: Well, let me think. Since you phrased the question --
No, I think that it's obvious and implicit.
The thing that I want to caution on is that when you look at the solution principles they have been designed to evaluate a mixed alternative solution and so when you try to look at the test of durability for one little piece of wetlands restoration project it's a difficult test. I mean, it's different than when you are looking at a balanced alternative but I think in spirit the essence of the solution principles can and should be applied to individual projects.
CHAIRMAN MADIGAN: That would be a yes.
EXECUTIVE DIRECTOR SNOW: That would be a

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yes.
MR. HILDEBRAND: I know Cindy and I'm sure she is capable of doing it.
CINDY DARLING: And, in fact, the round-table has adopted a number of criteria that they are going to use as they evaluate projects that get to many of the issues that are in the solution principles such as to the extent the project also addresses some other CalFed areas of concern there should be some extra effort given to that kind of a project. To the extent a project provides ecosystem benefits. That should get extra credit. Those kind of criteria are already being interwoven into the process.
CHAIRMAN MADIGAN: I get to do it again.
Bob and Ray.
MR. RAAB: I thought that act died about 30 years ago.
(Laughter)
I received a map in one of the many documents that I've been receiving and I'm not sure whether it came from the round-table or from the restoration committee, but it was a map showing the Petaluma River as the westernmost line where what I interpret to mean the westernmost line of where any money -- any cat three money will go. And I'm disturbed by that because as far as I know the west side of

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the Petaluma River has the same habitat as the east side and, in fact, the same habitat goes right around the Bay and down to where I live.
And it seems to me that you can't draw lines on county borders, which is what the Petaluma River is.
You say, one side is worth restoring and the other side, forget it.
CINDY DARLING: Yeah. In fact, the round-table in our last meeting we were talking about the upcoming technical meetings and one of those is for the north Bay and that question was raised and clearly actions on both sides of the Petaluma River would affect the health of the Petaluma River so it would be within the realm of what we are asking that technical team to look at when they come back with their technical recommendations.
CHAIRMAN MADIGAN: Ray and Mary.
MR. REMY: We spent a little bit of time this morning about trying to establish credibility of different groups with BDAC and formulating recommendations through years of focus point for CalFed's values.
And I for one do not want to see us holding up the ability to wisely spend money for ecosystem development.
I think all of us want to see that done. On the other hand, there is a credibility issue here of

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concern, and it seems to me that it would be wise since this is at least purported to be a subcommittee of BDAC. That's the way it's written up. Therefore, one assumes that as a subcommittee it reports to BDAC.

That may not be the case and if not, then there ought not be a subcommittee. it ought to be a subcommittee of CalFed not BDAC.

But as long as it is a subcommittee I think, number one, everybody here ought to have a list of the names of the people who are on that group. They are fine people, I'm sure. I don't know who they are, but I'm sure they are going to do a good job.

Secondly I think BDAC minimally ought to know the recommendations that get generated from the ecosystem round-table and it should be made in a public way distributed to every member of this group so we know what they are, we don't necessarily have to pass on or approve them but we at least ought to know what they are.

Third, since there was great debate in 204 about the trigger mechanism, monies to be spent and how it relates I think there needs to be at least an understanding of how these recommendations relate to the trigger mechanism of 204 and if they don't relate to it at all, that's fine, too. But at least there will be concern and credibility to those who are deeply involved in that

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discussion and debate, are we suddenly now spending monies outside that trigger mechanism after all of the commitments that were made and I've been advised that no, we're not. It's very consistent. And at least that ought to be out on the table in a very public way so that we're all comfortable and can answer to each of our constituencies how that process works.

So I'd like to make all of those requests.

CHAIRMAN MADIGAN: As to your first three, okay.

Lester, do you want to respond to the last point?

EXECUTIVE DIRECTOR SNOW: I certainly would like to respond in writing, also, if there is any confusion about which monies in 204 and the issue of the trigger mechanism.

Those of you who did not follow Prop 204 may not be familiar with the term trigger mechanism. There was a large chunk of money, 390 million dollars to be specific that was put into Prop 204 for the purpose of implementing the ecosystem restoration component of the Calfed Bay-Delta Program.

Two separate triggers were established for the release of that money.

The first trigger was that there is a completed

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certified EIS -- excuse me -- certified EIR and a Record of Decision on an EIS on the programmatic EIR/EIS and, second, that there is an executed State and Federal cost share agreement on additional costs within the ecosystem restoration program.

Those monies are untouched and cannot be touched until both of those triggers have been satisfied and so the discussion that we have about getting money on the ground is really confined to two areas.

One is another provision within Prop 204 which provided 60 million dollars for category three and it instructed that those monies are to be spent by the Secretary for Resources consistent with the CalFed process.

and so everything we've talked about is our definition of the CalFed process to provide guidance to the resources secretary.

The other pot of money that we are talking about is at this point wishful thinking but it is a Federal appropriation along the same lines as Prop 204 to provide Federal money into a pot in a similar fashion and that would be under the control of the Secretary of the Interior and we would identify the same process to do that. And so we have interim monies that can move forward now to do some good and at the same time there are triggered funds that if we can all stay in this together we can then have another

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shot in the arm to do more once we selected the preferred alternative.

CHAIRMAN MADIGAN: Mary.

MS. SELKIRK: To follow on Ray's request that despite the fact that I've been attending the round-table meetings I still have some gaps in my understanding of how the different technical groups that have been convened vis-a-vis establishing priorities geographically within the round-table for the next year.

So I think what would be helpful probably to all BDAC members as well and certainly for their constituencies is to have a better idea about how the technical groups that are advising the round-table process relate to CalFed, what the Public Workshop format is that is seeking input geographically across the state to the round-table to make priority decisions for the next 12 to 18 months.

I think that would help further clarify how the round-table is functioning in collaboration with or distinct from CalFed.

CHAIRMAN MADIGAN: Lester.

EXECUTIVE DIRECTOR SNOW: I think that's a reasonable request and other people are asking the same thing. We need to provide a document that has clarity on what responsibilities are, what the process is, what a

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technical group is and how we move forward and we've had the challenge of developing that kind of detail and getting it out to everybody. At the same time we are trying to move forward to meet these funding cycles, but we need to get that out and we can do that shortly.

CHAIRMAN MADIGAN: Thank you.

Tom.

MR. GRAFF: I just wanted to say and it's not on the Agenda but there have been at least three different teams, persons, interest groups who have been back in Washington in the last month or so pitching the CalFed program in order to turn the president's funding request into an actual appropriation, and, of course, CalFed itself and Lester also have been back there making the same pitch, and from what I'm hearing, despite what from my point of view is a kind of an uphill battle in that this is in essence a new program start for 143 million dollars in just over a billion dollar budget or something like that? I don't know exactly what the Bureau budget is.

It's, you know, going reasonably well.

CHAIRMAN MADIGAN: Yeah, and the water commission back next week.

It's true that the money isn't exactly in hand yet.

But the fact is that 143 million dollars has

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been put by the President in a pretty constrained budget and the responses so far that you hear from the congressional leadership is pretty favorable.

I mean, that really is pretty encouraging news.

Mr. Petry.

MR. PETRY: Mr. Chairman, members of the council, it's a pleasure to be back again. I appreciate your giving me time to make comments.

I'm just wondering, I know there isn't any money in 204 to buy my land. I don't see any money in 204 to complete the San Luis drain.

I don't see any money in 204 to purchase the agricultural land only on a voluntary basis and as I stated before if they retire a thousand acres a year and there is 43,000 acres out there it's going to take 43 years to retire that and we don't know where we are going to stand in between.

We need to complete the San Luis drain or we need to do something with it or find an alternative solution for it.

We need to bring back the social economics to my community. And that's not going to happen with the kind of crops they are going out there now.

The other thing about watershed management is up in our area we had an abundance of runoff that brought a

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lot of sedimentation down but this year we had a lot of growth in the hills because of the rain. We had early rains and the hills were all green but still yet we've got a lot of stream bank erosion.

Now the Committee was out. They were planting trees, willow trees, in the creek bottom or alongside of the creek bed.

Well, a few years back they planted some eucalyptus trees along the streambed or in the streambed. They got so thick that it washed out around the eucalyptus trees.

The problem isn't with only the water. It's with the contaminants that are in the water.

We have 489 parts per billion of selenium that are coming out of those hills that's going into the Mendota Pool.

Now, you can have meander waterways and the water will always cut out on the far side of the bed. And then will leave sedimentation on the other side. That would be sedimentation for habitat.

What about when you've got 489 parts of selenium that's in the Mendota Pool?

Now, the reason they put the 43,000 acres west of Mendota was to handle the contaminants that were coming out of the Pinoche Hills, Silver Creek Pinoche Creek Hills.

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That's why they put it in in the first place.

Prior to putting that in you get a stream flow that will come down and then it will settle out. And then you wait until another rain came down and another stream flow will come down and it will go around the other side of it and then you have another one that will go around the other side. Every time you leave sedimentation it would change the stream flow and it would spread out so it would stay back in that (inaudible).

But now we have man-made structures that carry it and those man-made structures carry control flows. If you had the flows of the water in a controlled channel, then you have velocity that carries the sedimentation into the Mendota Pool with a high concentration of selenium.

What about our habitat? It doesn't make a lot of sense.

Another thing, coming out of the San Joaquin River from Millerton Lake. We've got growth that grows up in the middle of the creek because of lack of flows.

Now, where the water comes down they have to be real careful about how they let the flood flows down.

They are capable of 2500 cubic second foot they can only let a few hundred cubic second foot down until they get the sedimentation from the previous flows flushed out.

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That goes into the Mendota Pool. Sure, you've got good habitat back there but only when the flows are running.

The interrupted flows in the San Joaquin River aren't a normal thing. We need to bring back that habitat. We need continuous flows. We need additional storage.

With additional storage who cares about the pool pumpers. Who cares about water transfers down in Southern California providing we have water to replenish our aquifers.

That isn't happening now. What's going on isn't normal. It's not a natural thing. We need some kind of support for that. And you know, I've been saying this over and over again. I don't see anything happening in those lines.

I'd like the BDAC members to give some consideration, more consideration than they have in the past. I want to thank you for your time.

CHAIRMAN MADIGAN: Thank you, Mr. Petry. Nice to see you again.

Thank you, Cindy.

All right. Let's go back to the previous item then, Phase II technical evaluations.

Steve.

MR. YAEGER: What we wanted to do was give

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you a little heads up on some of the types of information you are going to be seeing over the next few months.

I'm going to go back to the graphic that Rick Breitenbach used earlier.

He was talking about the impact analysis and the Workshops. They are going to present the information on impact analysis.

As we said earlier we're completing component refinement. We are down the road on integration.

The impact analysis is going to start soon. That type of information is going to be provided to BDAC over the next several months, but in addition to the impact analysis information we are also going to be providing you with a flow of information out of feasibility studies.

You'll remember the schedule overview we presented in the few last meetings, the EIR track is up here. We had an impact analysis going on, but in addition to the impact analysis we have this track of feasibility studies, which includes financial strategies, assurances, and what we've been calling prefeasibility analysis.

So what I wanted to do was to explain what types of information are going to be provided as part of the impact analysis and what types you'll see as part of the feasibility studies because there will be a mix of that over the next six months and in -- it would be helpful, I

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think, if we can keep that all clear.

The impact analysis is as we've been talking about for some time now going to be prepared at the programmatic level.

You'll be seeing information produced on the ranges of the facilities, for instance, that we are looking at.

To use a specific example, for instance, in our storage component we've been talking about looking at a range of storage with alternative three between say 200,000 acre feet on up to three million acre feet.

The impact analysis is going to focus on the ends of those range, 200 to three million and you'll see information at the ends of the range related to that specific facility.

Other types of programs, like, for instance, water transfers, we may be looking at a range there of, say, a hundred thousand acre feet to 800,000 acre feet of water transfers associated with that alternative and again the impact analysis will be focusing on the ends of the range, a hundred, 800, and we'll be trying to provide perhaps a mid-point analysis, too. So you get a sense of the impacts throughout the range.

And, again, they'll be comparing and contrasting the alternatives at those ends of the range.

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And they're going to be presenting decision information again on that broad range.

Now, the prefeasibility studies, they are designed to provide this support information for impact analysis. That is, information from prefeasibility or feed into the impact analysis and they will provide information that will allow us to continue refining the component details while the programmatic impact analysis is going on.

It will provide more detailed costs.

I wanted to speak a little bit to the reason that we've laid out the prefeasibility track.

It's essential to the recognition that while the programmatic document is a good way to proceed in the type of program we have where we are doing planning across a broad range of resources, it's multi-objective, there still is a need for a further level of information to make decisions on than is likely to be provided in the impact analysis at a programmatic level. For instance, the decision between an alternative one where you are using an existing conveyance system and an alternative two where you're using a through-Delta conveyance system with a lot of channel improvements and so forth is a very important and key decision and it's important in our mind that the proper level of information be available to make that kind of decision.

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So we believe with the prefeasibility studies we can provide additional information that is kind of filling in the information within that range and using the example we used earlier of the storage, 200 to three million acre feet. We will be providing information at increments in between that broad range so you will have additional information. The same with the water transfers. We'll be providing information on water transfer impacts.

The range we used earlier was a hundred thousand to 800,000.

We'll be looking at 200,000 and 300 and 600 and 700. So you'll have information on the full range instead of just the programmatic ends of the range to use to support your decisions.

Another key reason that we believe the prefeasibility studies ought to be incorporated in our process is that it can help shorten the implementation time.

Traditionally in the programmatic environmental review process you would complete your programmatic, get your certification and your record of decision, and then you would start doing the kinds of prefeasibility and feasibility studies that would lead to site specific evaluation.

However, by doing prefeasibility in a parallel

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track during this phase of the program we can shorten the amount of time that it takes to site specific implementation once the decision is made.

That is, we are developing the kinds of information during this phase of the program that can lead to more specific studies and site specific evaluations and that can start immediately after a decision is made on preferred alternative and a Record of Decision and certification is provided.

That in a nutshell is kind of our reasoning behind, including prefeasibility studies, in this part of Phase II as part of the parallel track with impact analysis.

I think I'd just like to throw it open to questions at this point if you have any.

CHAIRMAN MADIGAN: Questions. Anybody have any questions where it's headed, schedule is?

Alex.

MR. HILDEBRAND: When you examine the idea of reallocating 800,000 acre feet of water by acquisition what are you doing to ascertain whether that's a realistic assumption.

In the case of the CVPIA programmatic thing they assumed they could buy 200,000 acre feet of water in each of three tributaries and cited the availability of

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water by looking at how much water there was on an average, which, of course, includes flood years like this year and actually find the need required isn't critical here.

And nobody I know of on any of those three tributaries thinks you can acquire anything like that amount of water, but they -- at least as far as I know, that's still in their plan. Now, I hope we aren't doing the same thing.

MR. YAEGER: I assume you are speaking specifically of the water transfer example that I used?

MR. HILDEBRAND: It doesn't matter whether you call it transfers or whatever. It's a reallocation of water from the water shortage system in the case of the San Joaquin and so you can label it one way or another but that's what it is.

My question is whether you're going to be able to reallocate that much water and, if so, how do you get around the impact on riparian and public trust values in the summer in the main stem of the river in the South Delta?

MR. YAEGER: Exactly. We are proceeding on several different tracks in that regard. We recognize that water transfers are -- I don't want to use the word constrained but they are at least conditioned by several things.

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One is physical capacity to move water through the system.

Another is a willingness of water users to allow their water to be reallocated or transferred.

Another is the economic realities of whether that makes any sense economically.

And a fourth and a pretty important one is the third party impacts condition.

So we're moving to look at the physical capacity, we will be displaying that as part of each alternative, you know, what is the physical capacity available to transfer water with each one of these conveyance options.

We are also going to look at the economics of it, whether it makes sense with the price of water that can be used, does it fit within the IRP's, integrated resource plans, of each of the ag and urban agencies that might be potential customers.

And then we are also looking at the third party impacts and we'll have to display those for each of those points that we are analyzing.

But it's a complex question.

We don't, I think, have all answers yet as to exactly how we are going to piece that together but we are going to take kind of an integrated and hopefully

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comprehensive approach to displaying that.
CHAIRMAN MADIGAN: Thank you, Steve.
Flood report update. Lester.
EXECUTIVE DIRECTOR SNOW: I don't have much to report.
We included in the previous mailing package a copy of the Governor's 30-day report that gives some assessment and indication of near term actions.
There is in preparation what was referred to in the executive order. It was 120 day report that attempts to look at longer term issues.
We at CalFed are participating in the flood emergency action team and trying to integrate different issues that we've identified into any strategies that would evolve.
The Corps of Engineers is leading an effort -- four phased effort that was described by Colonel Peixoto at our last meeting.
They are working through that to look at what things need to be fixed immediately to be ready for the next flood season, which things can be dealt with in a nonstructural approach and then proceed on to look at the longer term and at the entire flood system in the Central Valley.
So those issues are still developing.

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Wayne White also has been involved in that. He may want to add a few comments on those kinds of activities.
CHAIRMAN MADIGAN: Wayne.
MR. WHITE: I guess all I'd add to it, Lester, is the Corps has initiated a task force to implement their phase one, two and three. The task force met week before last, with a clear message from the Corps that the job in front of them before next winter are to get the levees back up to pre-Project conditions and that as they go through and look at the 50 -- roughly 40 or 50 projects and reports for each one, that they are -- they will consider opportunities for nonstructural fixes provided that they still have the opportunity to provide the protection come next flood season or next rainy season -- hopefully there won't be a flood season next year -- but plenty of water either way.
They are also trying to integrate more in an informal way the non-Corps project levees such as the Cosumnes River and trying to find opportunities there to integrate the membership of that task force as it relates also to the State and to CalFed to see what opportunities we have to help the situation there.
I think that's about all I'd add, Lester.
CHAIRMAN MADIGAN: Questions?

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Stu.
MR. PYLE: I was kind of -- I think maybe I even asked the question last time but Wayne might have some insight.
If there are any measures going on to kind of update thoughts about ecosystem conditions and proposed projects and so forth as a result of the flood it seems like the ecosystem takes a real hit in all of this, all of the sites that you are thinking about working on must be subject to this.
And I just wonder if there is some kind of a survey, an update on what conditions are as a result of the flood?
MR. WHITE: There is not necessarily an overall assessment at this point.
What will happen I suspect over time is that we will start to get that assessment as the individual reports come together.
The real focus has been, and rightfully so, on really the levees and the threats that are still out there relative to the protection that they are to provide and that's where the focus has been at this point.
We are trying to integrate some other ideas, some other thoughts.
The science part of this, both relative to

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hydrology and geomorphology and biology, we are trying to interrelate that, but the first two are really the ones that take a priority right now.
CHAIRMAN MADIGAN: Tib.
MR. BELZA: Through the Chair I can report on one environmental case on the Feather River where 43 elderberry bushes and a pond that was constructed before they did the levee fix has been wiped out at the cost of two million dollars. So that was where the levee broke but that environmental litigation is no longer there, as long as any elderberry beetles which they hadn't seen there anyway.
CHAIRMAN MADIGAN: Thank you for that, Tib.
Wayne.
MR. WHITE: Actually I'll add kind of a footnote to that. The scoring that has occurred there is a natural process. There were some loss of elderberry, but the habitat itself is in pretty good shape.
CHAIRMAN MADIGAN: Unless you're a beetle.
Okay. Thank you for that.
Yes. Absolutely. Sunne.
MS. MCPEAK: Mr. Chairman, the items that are in the packet, the 17, Lester, that you've done that are potential flood control concepts that could be melded

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into the CalFed Bay-Delta program elements I think are very good.

Now, these -- these -- we did not have these before us at the last meeting or if we did, I didn't recall.

CHAIRMAN MADIGAN: We informally discussed them.

MS. McPEAK: Right. And I think this is actually worth commenting on, that's why I'm doing it -- but I mean it's worth doing some more work on it so that they don't just get lost because it's sitting here.

And the degree of cooperation between the Corps and DWR that was expressed at the last meeting that has just be reported on by Wayne is something we want to encourage and I wanted just to suggest that perhaps the progress being made on doing the immediate repairs could be reported to the restoration work group for a discussion about how that compares to both what you have here on the 17 items and the work that's laid out on the ecosystem restoration program that's in the packet.

A little bit of that -- I think a little bit more dialogue and sort of having to report and public accountability will encourage optimizing the opportunity, realizing that the Corps has obligations to restore levees, that they'll look in the category four for doing more that

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is consistent with the habitat restoration principles here, but we want to do as much as we can now since levees have to be repaired to have multiple benefits. So I'd like to suggest that process.

MS. SELKIRK: Sunne, could I just add that tentatively there will be somebody from the Army Corps at the next restoration work group meeting in about two weeks for just that purpose to have discussion about what kinds of actions they are deliberating on and how they would relate to the overall restoration program.

CHAIRMAN MADIGAN: Thank you. Water use efficiency activities update.

Judith, do you want to introduce this?

MS. REDMOND: No. I think Rick is going to make the presentation and go over it.

Thanks.

CHAIRMAN MADIGAN: All right. Rick.

MR. SOEHRN: This will be pretty brief.

At last month's meeting we had a presentation on water use efficiency component and where it stood at that time.

We had a pretty spirited discussion at BDAC particularly about some of the issues that have been raised in the work group, particularly related to assurances and we've had spirited discussions at the work group as well

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and I think that's probably both good and bad.

Sometimes it seemed like it was a difficult process and we weren't accomplishing much, but I think when the dust settles a little bit and we look back we've really accomplished quite a bit.

We've identified a number of areas where there is good agreement among stakeholders and we've also identified the issues where there is clear disagreement, where we need to do additional work on resolving issues, and I think even having a clear understanding of those issues is a very important step forward.

So I think we are making good progress.

After last month's meeting we went back and made a good thorough edit of the water use efficiency description.

That is included in the Workshop package that was mailed earlier this week.

So probably all of you received or will receive very shortly in the mail a Workshop package that looks like this (indicating) for water use efficiency and storage and conveyance, the two topics for our Workshop next week on the 20th.

The write-up of water use efficiency in the packet has basically the same substantive content as before, but it is edited. It's a lot clearer to

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understand. It's a little more streamlined.

The comments that we received were both editorial and substantive, and we were able to respond pretty well to the editorial comments that folks made.

The substantive comments were more difficult.

In many cases by responding to one stakeholder or one interest we would be increasing the displeasure of other interest groups and other stakeholders so that doesn't seem to be the path to resolution of these issues.

At the Workshop on the 20th we will have a discussion of the approach as it stands now, this component.

We've included in the Workshop package a list of the six issues that we see as unresolved important issues in water use efficiency.

At the Workshop we'll have a brief discussion of what's included in our component so far and spend most of our discussion time looking at those issues, asking Workshop participants for their help in not just restating their positions on these issues but helping us to resolve those issues, and that will be a facilitated discussion so we are hoping it's a very productive one.

Work is continuing on some elements of the water use efficiency component.

Effective use of environmental diversions,

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several of the CalFed agencies are continuing to work, Fish and Wildlife Service, Fish and Game and the Bureau are working on a parallel process to ours. It seems to dovetail quite nicely.

They expect to have product out by this fall and they have a very open process. They are anticipating a great deal of stakeholder involvement in that.

We are still putting the final touches on a draft of our water recycling approach. I am hopeful that by the Workshop next week we may have a draft of that available for distribution and hopefully we'll be able to discuss that further at our next work group meeting which is on Thursday, the 27th.

And finally, a very important part of water use efficiency, one of the tasks that we've been assigned to look at is water transfers and that's a very important part of the whole part of our program related to water supply reliability, and I think as we move into water transfers and as we increase the understanding of how water transfers can help us not only with water supply reliability but providing a water supply that might be available on the market for ecosystem restoration and other purposes that many help provide some assurance and help us move forward in a lot of these areas.

So that's a summary of where we are and we are

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looking forward to a productive Workshop next week and our next work group meeting the week after on the 27th.

CHAIRMAN MADIGAN: Thank you, Rick.

Anything to add? (No response).

Richard.

MR. IZMIRIAN: I am very happy to take care of the focusing on water transfers. I think that's perhaps where we should have started instead of coming at it at the end.

When Stein made his presentation, he mentioned the linkages, the conveyance and storage with the efficiency program.

Is this primarily the transfers issues or is there some other element to the efficiency program that's coming up?

The program so far has focused mostly on local action that had nothing to do with conveyance.

MR. SOEHRN: Well, we did add a short discussion in the edited version of our program on linkages.

A lot of that linkage is going to be related to transfers.

There will be some important linkages to conveyance and storage in other ways.

Conveyance and storage projects are going to

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affect the cost of additional marginal water supplies for agencies and as agencies pursue their IRP's, or integrated resource plans, they'll have new cost data available for marginal cost of supplies and it could very well be that additional conservation measures are cost effective for them even from the approach we are taking of cost effectiveness at the local level so there are linkages there as well.

CHAIRMAN MADIGAN: Lester, you and I have had some conversation about water transfers detracting from the basic message of the water efficiency group.

EXECUTIVE DIRECTOR SNOW: Yeah.

I would say this has come up on a number of occasions actually in this group but I would say over the last three weeks increasingly we've been getting comments and expressions of concerns about the transfer issue, how important it is, and also how by having it as a subcomponent of water use efficiency is not revealing how many issues it addresses. It cuts across so many issues, such as as Alex would characterize reallocation of water or the impact it has on storage and conveyance.

So we've been getting a fair amount of criticism that transfers is a major issue. We've got it hidden as a subcomponent of water use efficiency and perhaps we need to change that and that we need to really

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focus a lot of attention and have a lot of public scrutiny on this broader issue.

CHAIRMAN MADIGAN: And I'm also concerned about having water transfers as an issue detract from the basic water use efficiency program. Anyway, it's something that we need to think about, we need to think about, we talk about around here a little bit.

MR. PYLE: I tried to talk about that six months ago, sir.

CHAIRMAN MADIGAN: Well, Stu, prescience is rarely rewarded in this instance.

MR. PYLE: I know, but, you know, if you hadn't brought it up, I would have brought it up again.

CHAIRMAN MADIGAN: Okay. All right.

Thank you for that.

Thanks, Rick.

Public comment. I have one request for public comment. Nancy Shaffer, representing the San Francisco Bay Joint Venture.

If there are other members of the public who wish to be heard, this is the final opportunity today, anyway.

Please fill out a card at some point. We'd be happy to hear from you.

Yes, ma'am.

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NANCY SCHAEFER: Hi, I'm Nancy Schaefer. I'm with San Francisco Bay Joint Venture, is which a partnership of public agencies, environmental groups, business and agricultural interests.

And we are focusing on the protection, restoration and enhancement of wetlands around San Francisco Bay. I just want to point out that we don't see CalFed as the solution to all of the Bay's problems, but I do want to lend our voice to concerns that the ecosystem restoration program plan doesn't include the entire Bay for long-term ecosystem restoration.

I think it's really important to take a look at the entire Bay and figure out where there is a nexus between CalFed's goals and problems throughout the entire Bay. For example, Delta smelt has been targeted as a species that's very important, and I understand that Delta Smelt were historically found in Coyote Creek in the South Bay and that we should take a look at that and I also recognize and joint venture partners recognize the importance of CalFed focusing on problems that have resulted from problems in the Delta and we strongly support that.

And I also wanted to add that I'm working with joint venture partners along with the regional wetlands ecosystem goals project to try to come up with some

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recommended actions that will meet CalFed's goals that are found throughout the Bay.

Thank you.

CHAIRMAN MADIGAN: Thank you very much. Tom.

MR. GRAFF: Nancy, could I ask you a question?

How do you relate to the national estuary program which has a Bay focus?

NANCY SCHAEFER: We are part of the national estuary program. We work closely with Marcia Brockman.

We are implementing a couple of the actions that were laid out in the CCMP which was -- develop a program that focuses on acquisition restoration enhancement projects around the Bay, and so we are an implementing arm of the estuary program.

CHAIRMAN MADIGAN: Sunne.

MS. MCPEAK: Just to fall on, Nancy, the 12 military bases that have been closed, 11 of them happen to be on the Bay in the Bay Area and there's been -- I work directly with a number of those local reuse authorities.

I am actually using this opportunity to see if we can't get a direct dialogue with you and them.

There is an opportunity to greatly increase

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wetlands, the natural habitat within the Bay region we want to do that to the extent possible and we could really use your help.

NANCY SCHAEFER: Great. I'll talk with you afterward.

MS. MCPEAK: Great. Thanks.

CHAIRMAN MADIGAN: Anybody else? Anybody else in the audience?

MR. GRAFF: Could I ask a question.

CHAIRMAN MADIGAN: Tom.

MR. GRAFF: How do we relate to the national estuary program? Is there a formal link?

MS. MCPEAK: We've got Marcia (indicating).

MR. GRAFF: I know we do. I know we have Marcia, but I mean at the staff level?

EXECUTIVE DIRECTOR SNOW: I don't know the answer to that. I mean, we've tried to integrate with all the existing programs, but I don't know how we're specifically relating on that issue.

As Steve indicated, we've tried to pick up as a base all of the CCMP recommendations and stuff but as far as what we are doing with the national Estuary Project I don't have a answer.

CHAIRMAN MADIGAN: Roberta.

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MS. BORGONOVO: I just wanted to mention that there is a friends of the estuary group and maybe a direct contact with the staff of the friends of the estuary group would help to satisfy both groups that they are going to come together, such as Nancy said, many of the actions that were put forth we could see how they are linked and could be funded?

EXECUTIVE DIRECTOR SNOW: Many of these technical issues here have actually come up within the round-table context of the kinds of projects that Nancy just mentioned.

But where me as the manager type might say, "Well there is nothing we can do in the South Bay to help Delta issues". Well, it's been recognized that that's not necessarily true and we need to look technically at those kinds of issues and opportunities.

CHAIRMAN MADIGAN: Marcia.

MS. BROCKBANK: I was just following up on Tom's question. There really isn't a formal link between CalFed and the San Francisco Estuary Project but the national estuary program has 28 programs around the country and they are the forerunner, if you will, of this type of process, a consensus based process, and actually there are many people in this room who participated in our process.

So it's sort of a -- we just think of you, us,

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CalFed, as sort of the next step in trying to implement what we started ten years ago.

And there are several members here on BDAC that are also Board of Director Members for friends of the estuary which is a nonprofit that came out of the Estuary Project.

CHAIRMAN MADIGAN: Okay. Thank you. Anything else for the good of the order? Mike.

MR. STERNS: Just a quick question.

From time to time I hear concerns about the seismic stability or impacts on the levees. I imagine there is technical work going on along those lines but is that something you had planned to share with the BDAC group?

EXECUTIVE DIRECTOR SNOW: Yes. We are doing seismic modeling of the whole activity. We have the USGS involved to take a look at that and that has to be a part of any ultimate evaluation.

There is a whole variety of things like that that we have to bring along at the end of this process. It's not just seismic issues which are important but also changes in sea level elevation. There are a lot of these contingency things we need to make sure that we have on the table when any decision is made.

CHAIRMAN MADIGAN: All right. Thank you

all very much.

Our next meeting is April 10th, Thursday, at the Sacramento at the convention center.

We are adjourned.

(Whereupon the BDAC meeting recessed at 3:28 p.m.)

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I, SUSAN PORTALE, Certified Shorthand Reporter of the State of California, do hereby certify:

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